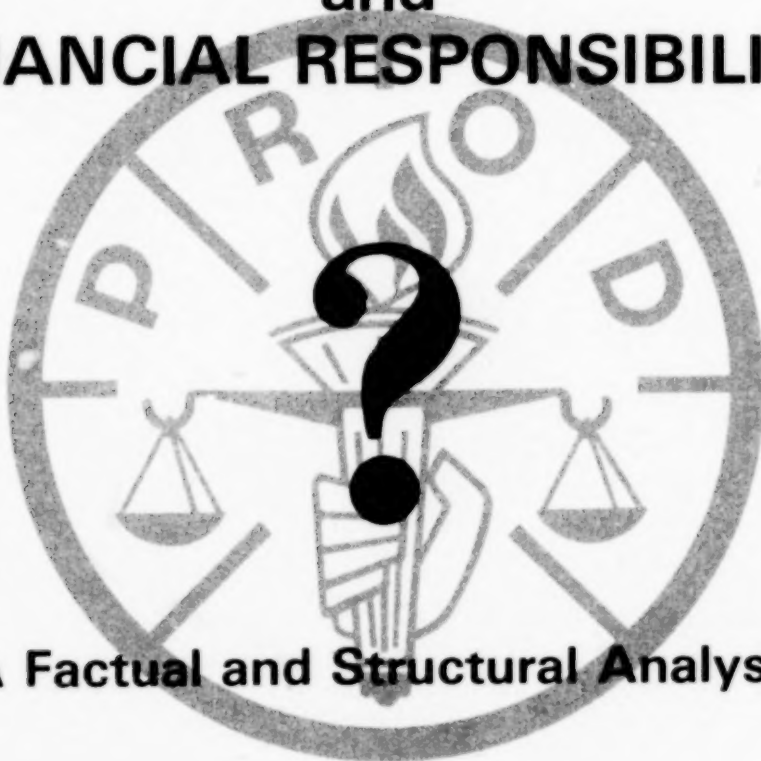


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**A PROD Report**

**TEAMSTER DEMOCRACY  
and  
FINANCIAL RESPONSIBILITY**



**A Factual and Structural Analysis**

**May 1976**

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and  
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**A Factual and Structural Analysis**

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## FOREWORD

The International Brotherhood of Teamsters is this country's largest, wealthiest, most powerful and most controversial labor union. It is a "conglomerate" union representing 2.3 million workers in industries that range from trucking and food processing to bubble gum manufacturing; it also represents many employees in the public sector, including teachers and policemen. The Union's diversification and enormous growth in recent years is in part a result of the Union's "tough" reputation and willingness to raid other unions. It is also due in part to the Union's success in obtaining favorable wage settlements for its members employed in the trucking industry. These settlements have been possible largely because of the fact that the industry has had no difficulty obtaining increased rates from the Interstate Commerce Commission. The Union's growth has also occurred despite the Union's prominence in headlines reporting charges of corruption, financial mismanagement, connections with organized crime, and lack of democratic procedures.

One frequently hears echoes in the halls of government and in journalist circles that the Teamster rank and file is complacent. They are reported to tolerate mismanagement and corruption in their Union as long as they receive a large and regular salary. While this is undoubtedly true for many Teamsters, it is by no means a fair characterization of the Teamster majority. The recent disappearance of Jimmy Hoffa has rekindled interest in union reform among the rank and file who have pressured the PROD staff to provide them with information and assistance in making their Union's leaders accountable to the membership.

This report will document a disturbing pattern of financial abuse by the Union's leaders. It analyzes the legal, constitutional and political barriers that separate the leadership of the International Union from the rank and file. With a few exceptions, the financial information contained in this Report has been drawn from the Union's own LM-2 and D-2 annual financial reports filed with the U.S. Department of Labor through calendar year 1974. However, because the government requires only very sketchy information on these forms from unions, and because unions can easily distort or conceal facts when filing their annual reports, the information contained in this Report is no more complete or accurate than the underlying reports filed by the Teamsters Union. Therefore, it is probably safe to say that we have only begun to scratch the surface.

The principal obstacle encountered when compiling the information in this Report was the fact that the Teamsters Union is splintered into

many hundreds of organizational entities — there are 800 Locals alone — each of which must file a separate set of annual financial reports with the government. Because officers in the Teamsters Union frequently hold numerous different positions in different Union organizations in what is a rather complex organizational pyramid, one cannot begin to piece together the Teamster financial, jigsaw puzzle until he has located, digested and assembled the splintered information in these many financial statements. To say the least, the task was enormously time consuming.

No working Teamster could ever have undertaken such a task himself. Not only would he not have had sufficient time to devote, he would not have been able to locate a sufficient number of the Union's financial reports. The reason is simple. While each Union entity must make these reports available for inspection by its membership at its own particular headquarters, there is only one place in the country where all of the hundreds of Teamster reports reside under one roof — the U.S. Department of Labor in Washington, D.C. As a result, the Congressional objective when enacting the Landrum-Griffin Act and requiring unions to provide their members with full financial disclosure has been circumvented by the Teamsters Union. Meaningful information about their Union is simply not readily available to the Teamster rank and file.

If the sheer enormity of the research effort required to develop an elementary understanding of the Teamsters Union were not a sufficient deterrent to the Union's members, fear would be. The Union's "tough" reputation is not a mirage; it has been earned. Many members have seen some of their "elected" officials and business agents in action; many have been on the receiving end of some sort of "behind-the-woodshed" discipline for stepping out of line. While the disappearance of Hoffa has provided them with increased incentive, it has also driven home the fact reported recently by veteran labor columnist John Herling: "If it could happen to Jimmy Hoffa, it could happen to the least of them."\*

Apart from the fear of bodily harm, most members have a more immediate fear for the loss of their livelihood. Many Teamster officials enjoy cozy relationships with executives of the companies for which their members work. These same officials also control both the members' access to, and often the outcome of, the grievance machinery which is the rank and file's only tool for overriding a pretextual or discriminatory discharge which may have been requested by their legally certified representatives. Moreover, once they find themselves on the streets, they often find they cannot find any other employment with employers who have Teamsters' contracts. Stop and

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\*Syndicated column appearing in the *Washington Post*, September 21, 1975, p. C-7.

reflect. Being a member of a democratic union headed by honest, respectable leaders is a luxury; holding a job is a necessity.

Under these circumstances, it is wrong to suggest that the Teamster rank and file is complacent and willing to tolerate abuse and corruption. To a Teamster, the Union looks immobile and its leaders seem to be totally invulnerable. As this Report will show, the members' view is not unfounded. In the Teamsters Union, power does not reside in the rank and file; it has been seized and held captive by the Union's leadership who frequently manipulate it for their own benefit. The Union's constitution has been carefully designed to insulate the Union's top leaders from the reach of all with the possible exception of the law enforcement agencies.

In Part I, we analyze the political structure of the International Brotherhood of Teamsters (IBT) as a product of the Union's constitution. We identify the key provisions in that instrument which vest near dictatorial authority over the Union and its membership with the IBT leadership. In Part II, we use numerous illustrations of financial abuse to demonstrate how certain Teamster officials manage to live in the lap of luxury. In Part III, we offer a number of suggested reforms and a very brief explanation how they may be pursued by the rank and file and those Teamster officials whose primary concern is to benefit the membership and strengthen, by reforming, the Union. In Part IV, we present a series of short profiles on more than two hundred of the Union's principal officers which include their salaries, allowances and expenses from Teamster sources. Throughout the Report, we offer constructive suggestions for both strengthening and enforcing applicable laws.

The final chapter to this Report will ultimately have to be written by the Teamster rank and file, responsible Union officials, their lawyers, the Congress and government law enforcement agencies. PROD stands ready to help.

Washington, D.C.  
May, 1976

A.L.F., J.C.S.

## **PART I**

# **THE MYTH OF TEAMSTER DEMOCRACY**



## CHAPTER 1

### The Union's Organizational Nuts and Bolts

To understand allegations of financial mismanagement, corruption and lack of accountability within the International Brotherhood of Teamsters, one must first understand the structure of the nation's largest labor union. A cursory glance at the Union might lead one to believe that the Union's rank and file do actually hold the reins of power and should therefore bear responsibility for their officials' actions. However, examination of the Union's Constitution reveals that the rank and file really has very little democratic authority to control the Union's high officials.

Although considerable autonomy is vested in the Union's Locals, Local officials can easily be made to toe the International Union's line. Yet it is these same officials who in theory direct and control the International Union, its officers and policies. To the extent that they operate independently of the International, it is because the Union's General President permits them to do so. The General President has constitutional powers that allow him whatever degree of power or control over Locals he chooses to wield. The officials who actually run the Union and represent the many Union political entities above the Local level are accountable only to the International Union bosses who in turn are not accountable to the rank and file.

At the base of the organizational pyramid are some 800 *Locals* scattered throughout the country. They vary in size from several hundred, to upwards of thirty thousand members. Some are trade locals, representing only members working in a single occupation or industry. Others are conglomerates where no trade faction has majority voting status.<sup>1</sup> Traditionally, the rank and file have focused their primary attention upon their Locals. After all it is the Local official who seems to determine whether, or to what degree to enforce their collective bargaining agreements. Their job security depends heavily upon their officials' willingness to go to bat for them, individually or collectively. They are not particularly aware how these officials fit into

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<sup>1</sup>This membership characteristic often functions to keep Local officials in office who might otherwise be ousted by a certain craft or trade group which the Local is not faithfully representing. Thus, the power to determine the Local's jurisdiction can be a key to guaranteeing an official's longevity in office. This phenomenon has been repeatedly exposed in redistricting and voter rights suits in recent years. Art. VII, Sec. 3 of the IBT Constitution vests the right to approve Local Charter applications with the General Executive Board of the International Union "upon such terms and under such conditions as [it] shall consider appropriate." Art. IX, Sec. 11 confers absolute discretion upon the General Executive Board to "merge Local Unions and other subordinate bodies under such terms and conditions and subject to such qualifications as the General Executive Board may determine . . . ."

the larger, union picture. They only know that they appear to make and implement the basic decisions that affect their daily working lives. They look to them, much as the private looks to his sargent. These Local officials in turn generally look up to higher Union officials as lieutenants, captains, colonels, etc.

In addition, while the rank and file cannot vote for any other official in their entire Union, they can vote for, or against, their Local union officials in a popular referendum every three years.<sup>2</sup> At the very least, they get to elect the Executive Board of their Local which is composed of a President, Secretary-Treasurer, Vice-President, Recording Secretary, and three Trustees.<sup>3</sup>

Immediately above the Locals in the ascending hierarchy in the Union come the *Joint Councils*.<sup>4</sup> There are approximately 50 Joint Councils each of which is assigned a designated geographic territory by the General Executive Board of the International Union.<sup>5</sup> Every Local is required to affiliate with the Joint Council whose jurisdiction embraces it and is required to contribute whatever per capita monthly membership tax that may be set in the bylaws of the Joint Council.<sup>6</sup> Each Local is entitled to send all seven of the elected officials on its Executive Board as delegates to the Joint Council. These delegates then elect a similar 7-person Joint Council Executive Board from among their numbers to conduct its business.<sup>7</sup> The primary function of these Boards is to adjudicate election disputes, disciplinary proceedings against members and Local officials, and jurisdictional disputes involving the Locals within their jurisdiction — subject to appeal to the IBT Executive Board. The Joint Council must also be consulted by Locals every time the Local proposes to execute a locally

<sup>2</sup>29 U.S.C. 481(b) provides: "Every local labor organization shall elect its officers not less often than once every three years by secret ballot among the members in good standing." As we shall see later in this report, this democratic right is frequently more transparent than real in many Teamster Locals.

<sup>3</sup>Depending upon Local bylaws, business agents and stewards may also be elected.

<sup>4</sup>See generally Art. XV, IBT Constitution.

<sup>5</sup>The General Executive Board of the IBT is composed of the 15 Vice-Presidents, plus the General President and Secretary-Treasurer. Art. XXV, IBT Constitution. This Board has sweeping discretion to expand or contract the jurisdiction of Joint Councils for any reason whatsoever. Art. XV, Sec. 1, IBT Constitution.

<sup>6</sup>The General President of the IBT is vested with authority to approve or disapprove of the Joint Councils' bylaws subject to review only by the General Executive Board of the IBT. Art. XV, Sec. 5, IBT Constitution.

<sup>7</sup>Since each Local sends the exact same number of delegates regardless of the size of the Local, it would appear that this voting procedure is violative of the "one man/one vote" mandate of the Landrum-Griffin Act. 29 U.S.C. 411(a)(1) provides in relevant part: "Every member of a labor organization shall have equal rights and privileges within such organization to nominate candidates, to vote in elections . . ." Nonetheless, each Local must contribute to the support of its joint council on a strict per capita basis producing a sort of "taxation without equal representation" situation.

negotiated contract or engage in strike activity — indeed, prior to becoming involved in any "lawsuit or serious difficulty" the Local must first consult the Joint Council.<sup>8</sup> The Joint Council then sends its recommendation to the IBT General President for final disposition.

The next formal organizational level in the Union's structure is the *Conference*.<sup>9</sup> While the Joint Councils technically are autonomous political bodies which derive their authority from, and theoretically report to, their member Locals, the Conferences are very clearly subordinate bodies within the International Union structure. The IBT Constitution provides explicitly that Conferences "shall be at all times subject to the unqualified supervision, direction and control of the General President and they shall function under the rules prescribed by the Bylaws approved by the General President." (Art. XVI, Sec. 1)

There currently are five Area Conferences whose jurisdiction embrace every state in the union as well as Canada.<sup>10</sup> There are also eight separate State Conferences which necessarily fall within the geographic territory of the Area Conferences.<sup>11</sup> And finally, there are either ten or eleven Trade Conferences (sometimes known also as Trade Divisions) which cut across geographic boundaries and cover specified trades.<sup>12</sup> The IBT Constitution does not specify what functions the Conferences shall have but rather leaves this matter up to the discretion of each Conference to spell out in its bylaws. Their bylaws must, however, be approved by the General President.

Every Local and Joint Council is required to affiliate with its respective State and Area Conference and to contribute directly to it whatever per capita assessment that may be prescribed.<sup>13</sup> The business of the Conferences is conducted by an elected<sup>14</sup> Policy Committee;

<sup>8</sup>Art. XII, Sec. 1(c), IBT Constitution.

<sup>9</sup>See generally, Art. XVI, IBT Constitution.

<sup>10</sup>The formation of the Canadian Conference was announced in October 1975.

<sup>11</sup>Georgia-Florida, Illinois, Indiana, Iowa, Kentucky-West Virginia, Missouri-Kansas, Ohio, and Texas.

<sup>12</sup>Airline; Automotive, Petroleum and Allied Trades; Bakery; Brewery and Soft Drinks; Building Materials and Construction; Communications; Freight (interstate trucking); Food Processing; Laundry; Warehouse; Household Goods, Moving and Storage.

<sup>13</sup>The International supplements these payments by contributing an additional per capita sum (10¢/month) to those Conferences which represent geographic areas. Art. X, Sec. 3(e), IBT Constitution. It is not known how the various Trade Conferences or Divisions either are run or financed, except by the International.

<sup>14</sup>The IBT Constitution is silent on the subject of Conference conventions and delegate qualifications; one must consult instead the bylaws of each Conference. Most Conferences covering geographic territories hold periodic Conventions (e.g. Eastern Conference: 4 years) where each Local and Joint Council may send 2 delegates who must in turn be elected officials of their respective bodies. Policy Committees are selected in turn from among these delegates. These election procedures would appear to violate Title I of the Landrum-Griffin Act which essentially requires "one man/one vote". See 29 U.S.C. 411 (a)(1).



however, the General President may also appoint one of the International Vice-Presidents as "International Director" of each Conference "to assist him in supervising and directing the activities of the . . . Conferences."<sup>15</sup>

Finally, at the top of the Union's structural pyramid comes the IBT General President, the General Secretary-Treasurer, and the 15 Vice-Presidents — all of whom collectively comprise the *General Executive Board* — plus three trustees.<sup>16</sup> All of these positions are filled at the International Convention which takes place every fifth year.<sup>17</sup> Any member of the Union who has been in continuous good standing for a period of 2 years prior to the convention is technically eligible to hold one of these offices,<sup>18</sup> which are all filled by majority vote of the convention delegates. Although no two Vice-Presidents are supposed to come from the same state or Canadian province, the Vice-Presidents are all elected "at large" and they do not represent any particular geographic area or trade division.<sup>19</sup> As we have seen, however, they may subsequently be appointed by the General President to serve as the International Director of a Conference or Trade Division.

Every Local, Joint Council, State and Area Conference is entitled to send delegates to the *Convention*. In addition, every salaried International officer, organizer or auditor who is not otherwise appointed as a delegate by a subordinate body may also attend as a delegate.<sup>20</sup> The Joint Councils and Conferences are permitted one delegate apiece. The Locals are permitted to send a number of delegates depending upon the number of members they represent.<sup>21</sup> The Convention of assembled delegates is the "supreme governing body" of the Union. In addition to electing the IBT officials who will carry on the Union's business between conventions, the delegates are empowered to modify or amend the Constitution.

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<sup>15</sup>Art. XVI, Sec. 3, IBT Constitution.

<sup>16</sup>See Arts. IV and XXV, IBT Constitution.

<sup>17</sup>29 U.S.C. 481(a) provides: "Every national or international labor organization . . . shall elect its officers not less often than once every five years either by secret ballot among the members in good standing or at a convention of delegates chosen by secret ballot." The IBT does not hold conventions more frequently.

<sup>18</sup>Art. II, Sec. 4, IBT Constitution.

<sup>19</sup>Art. IV, Secs. 1-2, IBT Constitution.

<sup>20</sup>These delegates may vote on all matters before the Convention except the election of officers. Art. III, Sec. 5(c), IBT Constitution.

<sup>21</sup>The Local delegate formula is as follows: 1 delegate for the first 1,000 members and one additional delegate for each additional 750 members or major fraction thereof. Art. III, Sec. 2, IBT Constitution.

The process by which delegates are "elected" to attend this Convention is worthy of note.<sup>22</sup> A number of Convention delegates become eligible solely by virtue of their position as salaried officials of the International Union. A number of these officials are appointed by the Union's General President or its Secretary-Treasurer. Those who represent the Joint Councils and Conferences are appointed by their respective governing bodies.<sup>23</sup> Delegates who represent the Locals are selected from among the previously elected members of the Local Executive Board, by the members of that Board, not by the rank and file.<sup>24</sup> To the extent that the membership of a Local may be eligible to send more than all 7 members of their Executive Board as delegates to the Convention, the Board designates which of the elected business agents, should there be any, they wish to have join them as delegates. Only in the event that there are an insufficient number of previously elected Local officers, must the Local hold a special election wherein the rank and file can designate the appropriate additional number of delegates they wish to represent them at the Convention.

Thus, while the rank and file do not elect their International, Conference or Joint Council officials, they do elect their Local officials and these individuals act as their delegates in electing the higher Union officials. It is this simple picture that the Union uses to convey the impression of a democracy both to its members and to the public. However, because of the sweeping powers of the General President to approve and control actions throughout the Union and to dole out financial and other favors, this picture is highly misleading.

In the next chapter of this report we will take a closer look at each of the Union's political building blocks, how their officers are selected, and what kind of authority they actually wield. This examination will begin by focusing upon the International Union and the General President.

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<sup>22</sup>The Landrum-Griffin Act requires that where election of International officials is not by secret ballot in a popular referendum among the rank and file, it must be accomplished at a convention of delegates chosen by secret ballot. See footnote No. 17. *supra*. The law does not specify when, in relation to the convention, delegates should be elected or whether they should be elected solely, or even primarily, to serve as delegates.

<sup>23</sup>Art. III, 5(e), IBT Constitution. Since all delegates to, and officials of, the Joint Councils must also be duly elected Local Union officials, the individual designated as a delegate by the Joint Council would presumably be an "elected" official.

<sup>24</sup>Art. III, Sec. 5(a), IBT Constitution.

## CHAPTER 2

### The Awesome Powers of the General President

Most decision making in the day to day operation of the International Brotherhood of Teamsters is entrusted to the General President.<sup>25</sup> Many of his decisions are subject to approval by the Union's 17-member General Executive Board over which he presides. In addition, the General Executive Board has authority to make certain decisions on its own. Certain actions taken by the International Union, either by the General President or by the General Executive Board, can theoretically be appealed to the International Convention.

In reality, however, the IBT Constitution vests the Union's General President with such a bewildering array of powers as to permit him in fact to dominate and control the General Executive Board and the Convention. Thus, neither can effectively exercise its theoretical supervisory authorities. Both bodies can be manipulated or outrightly coerced by the General President and they accordingly rubber stamp his actions on a regular basis. By the same token, however, the General President may also exchange the "favor" by rubber-stamping certain actions his Vice-Presidents may have taken in their capacities as officials in Locals, Joint Councils or other union organizations where he is authorized to review and approve their actions. His doing so is more an act of comity than of political necessity. The picture only begins to come into focus when one reviews a shopping list of the powers conferred upon the General President by the IBT Constitution.<sup>26</sup>

First and probably foremost of the General President's tools is the power of appointment. He is empowered to fill vacancies as they occur among the various IBT elective positions.<sup>27</sup> He can appoint and remove at whim any person as an International Organizer, a position which carries with it a \$30,000 salary plus considerable monetary allowances, and a virtually unlimited expense account.<sup>28</sup> There is no limit to the number of persons upon whom he can bestow this official status and its remunerative benefits. Since the Union has no prohibition against

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<sup>25</sup>The President receives a straight salary of \$125,000 annually in addition to many other financial, and "in kind" benefits discussed in detail in Part II of this Report.

<sup>26</sup>The present Constitution is substantially a product of the 1961 IBT Convention presided over by James R. Hoffa. Mr. Hoffa, together with his expert legal counsel, "rewrote" the Constitution at that time to achieve his objectives in spite of the democratic restraints imposed by the newly enacted Landrum-Griffin Act.

<sup>27</sup>Art. IV, Sec. 4(a), IBT Constitution.

<sup>28</sup>Art. V, Sec. 1(d); Art. VI, Sec. 6, IBT Constitution.



holding multiple offices, the General President can dole out International Organizer jobs to anyone from a Vice-President on down to a Local official. The post can also be given to individuals who have never been elected by anyone and who would owe their entire loyalty to their boss; these people are, of course, also entitled to attend the International Convention as delegates and to vote on all matters (including constitutional amendments) except the election of officials.

The General President also names the International Directors to each of the Area Conferences; it is their job to effectuate the President's "unqualified supervision, direction and control" of the Conferences. These Directors can then in turn appoint Conference Organizers who are in effect also beholden to the General President. Obviously, the subject of Presidential appointments is one which cannot be exhausted in a brief outline and we will return to develop it more fully after completing our shopping list of Presidential powers.

Another powerful tool in the hands of the General President is authority to throw any subordinate union body into trusteeship or to revoke its charter.<sup>29</sup> He may impose trusteeship whenever he "receives information which leads him to believe" any one of a long string of vague criteria may have been met. Among these is his belief, however justified, that any of the officers of that subordinate body are "dishonest or incompetent," that it is not being run "for the benefit of its membership," or that it is being conducted in a manner so as to "jeopardize the interests of the International Union".<sup>30</sup> The General President is in turn entrusted with primary authority to interpret the Constitution<sup>31</sup> and to determine what are the interests of the International Union which might be jeopardized.

The General President also possesses a large number of devices he can use to manipulate who gets elected to those Union positions which are elective and to define what their powers shall be once they are elected. Any member attempting to run for office who is ruled to be ineligible by the incumbent officials in his Local must appeal directly to the General President for a ruling which is then subject to approval by the General Executive Board at its next regularly scheduled meeting. Such meetings may not occur until after the election. The same procedure applies to all other disputes concerning pre-election conduct.<sup>32</sup> The General President can also detail organizers to the

<sup>29</sup>Art. VI, Sec. 2(b), IBT Constitution.

<sup>30</sup>Art. VI, Sec. 5(a), IBT Constitution. In this connection the General President is also authorized, to cause any subordinate body to be audited at any time and by any person he should designate. Art. X, Sec. 10, IBT Constitution. The General Secretary-Treasurer may also order such audits by any of the International's official auditors. In either case, the audit may turn up grounds for trusteeship; it may also be used, however, merely to harass honest elected officials.

<sup>31</sup>Art. IV, Sec. 2(a), IBT Constitution.

<sup>32</sup>Art. XXII, Sec. 5(a), IBT Constitution.

scene of elections ostensibly to conduct Union business, much in the same fashion President Nixon utilized his Cabinet members so extensively during his 1972 campaign. Once the election has been conducted, complaints concerning its conduct must be filed within the exceedingly short period of 48 hours. Such protests are submitted first to the Joint Council; its decision is then appealed to the General Executive Board over which the General President presides.<sup>33</sup>

Once a Teamster official gets elected, the General President is in a position to apply enormous pressures upon him and his subordinate union body, as well as to confer substantial benefits. In the first place, the General Executive Board can, at the President's behest, order the merger of Locals and other subordinate bodies (principally Joint Councils) for whatever reasons and subject to whatever conditions it chooses. The obvious effect is to terminate the existence of one of the two merged bodies and eliminate the need for two sets of officials. The affected members may or may not be allowed to express their views in a referendum depending upon whether the Executive Board should in its discretion decide to permit one. In the event it should call for a referendum, the results are not binding.<sup>34</sup>

The Executive Board, under the President's guidance, may also expand or contract the territorial jurisdiction of any Joint Council.<sup>35</sup> In so doing, it can draw the lines so as to relocate a particular official dominating one Joint Council into the jurisdiction of another Joint Council that may be in the firm control of a favored leader. The Board can also authorize the issuance of new Local union charters to any group of members of an existing Local and even require the parent Local to pay all the costs of starting up the new Local.<sup>36</sup> Since each Local sends the same number of delegates to the Joint Council, this could dilute the influence of a particular Council official and permit his ouster. In addition, the Executive Board is empowered to resolve all jurisdictional disputes between Local unions, including disputes between newly chartered Locals and their parent Locals, and the Board can order members transferred from one Local to another.<sup>37</sup> This device can be used to reduce the membership base — and wealth — of a Local whose elected officials are in disfavor.

On the other hand, the General President has exclusive discretion to confer permission upon any particularly favored Local official to hold office in more than one Local. In addition to many of the obvious

<sup>33</sup>Art. XXII, Sec. 5(b), IBT Constitution.

<sup>34</sup>Art. IX, Sec. 11, IBT Constitution.

<sup>35</sup>Art. XV, Sec. 1, IBT Constitution.

<sup>36</sup>Art. XVII, IBT Constitution.

<sup>37</sup>Art. XII, Sec. 12, IBT Constitution.



political and economic benefits which may flow therefrom,<sup>38</sup> that official is permitted to cast multiple votes on behalf of each Local he represents at the Joint Council.<sup>39</sup>

The General President has sole authority to approve the bylaws of every subordinate body; in the event he should disapprove of a subordinate's bylaws, his decision is appealable to the General Executive Board.<sup>40</sup> He can step into any Local at any time and require a referendum vote on any subject,<sup>41</sup> including the submission of a particular contract under negotiation to the membership of that Local for ratification or strike vote.<sup>42</sup> Indeed, Teamster Locals are required to consult with, and obtain permission from, their Joint Council for virtually any significant action. The Joint Council must then notify the General President of the proposed action and he has the authority to

<sup>38</sup>For example, Fitzsimmons conferred permission to hold office in two New York Locals (813 and 1034) upon Bernard Adelstein and his two sons Martin and Alan which permitted them to net collectively in 1974 a total of \$230,000. John Felice and his son, John Jr., together grossed \$120,000 in 1974 by virtue of their positions in two Cleveland Locals (73 and 293). Mark Davidoff is an officer in both of New York City's air freight workers' Locals (295 at JFK International and 851 at Newark International).

<sup>39</sup>Art. XII, Sec. 3, IBT Constitution.

<sup>40</sup>Art. VI, Sec. 4(a); Art. XV, Sec. 5 (Joint Council bylaws); Art. XVI, Sec. 2, confers exclusive authority upon the General President to approve, disapprove and amend the bylaws of the Conferences at any time. There is no provision for an appeal by the rank and file of the President's approval of Local or Joint Council bylaws.

<sup>41</sup>Art. VI, Sec. 1(h), IBT Constitution.

<sup>42</sup>Art. XII, Sec. 1(b), IBT Constitution. In fact, the Union's Constitutional procedure for membership ratification of collective bargaining agreements negotiated on their behalf by Union officials is rather bizarre. (Major contracts are negotiated by officials personally designated by the General President.) Art. XVI, Sec. 4, provides that "Upon completion of negotiations . . . such contract shall be submitted to the membership covered by said contract proposal for their approval or rejection." It then proceeds to state that a majority vote is required for acceptance but that a 2/3rds vote is necessary for "rejection of the final offer and strike authorization . . ." The question is, who determines when the employer's offer is "final"? What should happen if 65% of the covered employees should vote against the contract? The Union's response has been to unilaterally announce when it has determined the offer to be final and then to execute contracts rejected by an overwhelming majority, albeit less than a two-thirds majority. The General President may, of course, be the one to precipitate this course of overriding rank and file sentiment.

The best example of the General President's use of this provision to deny the rank and file any real voice in the ratification of their collective bargaining agreement is the procedure utilized to secure ratification of the National Master Freight (Trucking) Agreement covering 450,000 members, the largest single labor contract in the free world. The Master contract is in fact only the first half of the full agreement and it actually covers only very general subjects. The meat of the agreement pertaining to wages, hours, and terms and conditions of employment is contained in the 32 totally different Supplements covering the many different employee job classifications for different geographic regions. Although each of the 450,000 employees is covered by only one Supplement, the Union sends every one of them a single ballot asking whether they approve of the Master Contract and the Supplements. The result is that city drivers in New England who may be pleased with their Supplement are voting in favor of the Supplement covering road drivers in Texas who may be most displeased with their Supplement. The effect is to deny huge sectors of the Union's rank and file their Constitutional right to vote for or against the contract actually covering them, and them alone.

modify it in any way he should see fit.<sup>43</sup> In addition, should any Local become involved in a strike, it is also the General President who has the primary authority to determine whether to allocate, or withhold, the strike benefits.<sup>44</sup>

As overall director of both the International and the area Conferences, the General President also has considerable authority over how much assistance (information, manpower or financial) the wealthy IBT and/or its Conferences may confer upon a Local or Joint Council, for whatever reasons.<sup>45</sup> Moreover, whenever any Local might seek to secure a loan directly from a sister Local instead, it is required to secure the approval of the General President.<sup>46</sup>

Another important tool of the General President is the authority to spend unlimited amounts from the Union's general treasury "in his sole discretion for lobbying and other political purposes."<sup>47</sup> The General President also supervises publication of the Union's official monthly journal, the *International Teamster*, which is sent to every member and to every other person or organization the General President might designate.<sup>48</sup>

While this list of Presidential powers is by no means complete, it is sufficient to begin to convey a more accurate impression concerning who is boss of the Teamsters Union —or at least who is capable of dominating the nation's largest, wealthiest and most powerful union if

<sup>43</sup>Art. XII, Sec. 1(c), IBT Constitution.

<sup>44</sup>Art. XII, Secs. 2-5, 7, IBT Constitution. The General President's authority is exclusive with regard to strikes involving 200 employees or less. It is the General Executive Board which has primary decision-making authority regarding strike benefits where more employees are involved.

<sup>45</sup>For Example, in 1974 the Central States Conference gave a \$54,000 "organizing grant" to Kansas City Joint Council 56 which is controlled by IBT Vice-President Roy Williams. Interestingly, Roy Williams' salary from the Joint Council shot up to \$43,725 that year over the \$17,325 he had received the preceding year.

<sup>46</sup>Art. XIII, Sec. 2, IBT Constitution.

<sup>47</sup>Art. VI, Sec. 9, IBT Constitution. It was pursuant to this authority that Fitzsimmons gave Rabbi Korff a check for \$25,000 to use in attempting to fight impeachment of then-President Nixon. PROD filed charges on behalf of several members against both Fitzsimmons and Miller with the General Executive Board which upheld their action. This decision may be appealed to the 1976 Convention. The reason charges were filed against both individuals stems from the fact that while the Secretary-Treasurer signs all IBT checks for ordinary, ministerial payments, the General President must co-sign checks for any other sort of payment. Art. VII, Sec. 2(b), IBT Constitution. Thus, the Secretary-Treasurer does not have unlimited access to the General Treasury. Should the Secretary-Treasurer decline, however, to co-sign a check for an extraordinary expenditure sought by the President, the dispute is submitted to the full Executive Board which, we shall see presently, is dominated by the President.

<sup>48</sup>Art. VI, Sec. 7, IBT Constitution. It is interesting to note that PROD sought to subscribe to the *International Teamster* and tendered a check for the annual subscription rate published in the masthead. By letter dated April 4, 1974, over the signature of Murray W. Miller, General Secretary-Treasurer, the check was returned with the explanation: "We cannot accept this subscription to the 'International Teamster' magazine."

he chooses. The General President is surely endowed with formidable influence to "run out of town" any official who does not whistle his tune and to reward handsomely those who do. It is important to remember that these are the very same officials who "elect" the General President at the IBT Convention every five years. It is this phenomenon which is known as "Teamster Democracy."

## CHAPTER 3

### **Further Analysis of the General President's Appointive Powers: The Ability to Dominate the Executive Board**

A simple statement of the General President's constitutional authorities is inadequate, however, to show his real power to manipulate the members of the General Executive Board, officials of subordinate Union organizations, Local officials and ultimately the rank and file. Let us proceed, therefore, to analyze how the General President could wield his powers, if he should choose, and examine how the current president, Frank E. Fitzsimmons, has in fact done so. We will certainly not attempt a complete review of President Fitzsimmons' presidency. To do so would be impossible. Our examination of President Fitzsimmons' performance is intended only to illustrate how his constitutional authority can and has been used in the recent past.

Many argue that the International Brotherhood of Teamsters is the most decentralized of our major unions. In some respects, the International leadership does allow considerable regional and Local autonomy as it must due to the fact the Union represents employees from so many different trades and industries. President Fitzsimmons only infrequently exercises his many powers thereby permitting many decisions made by lesser officials to become final. Whether this practice is the product of his specific intentions or the result of default, owing to personal inadequacies, is anyone's guess. In reality, it probably results from a combination of both. However, the essential point remains — General President Fitzsimmons does possess vast power with which he could call the vast Teamsters Union to attention, commanding its members and officials to march in step to his cadence. They know it, and they respect it, regardless of whether they respect the man.

Since a number of the General President's actions are subject to approval by the General Executive Board, we begin our more detailed analysis by focusing upon President Fitzsimmons' relationship with the Board. First, since the President is authorized to fill vacancies which occur on the Board between conventions due to death, resignation or retirement, the individuals selected by the President may properly be said to owe their positions to Fitzsimmons. Of the fifteen Vice-Presidents on the Board today, eleven were initially appointed by



Fitzsimmons.<sup>49</sup> Fitzsimmons also handpicked both of the two most recent Secretary-Treasurers who also sit on the Executive Board.<sup>50</sup> Thus, of the 16 Board members (not including Fitzsimmons), 12 owe their positions to Fitzsimmons.

It may undoubtedly be argued that since all Board members must eventually be elected at a Convention every fifth year, upon election their loyalties will shift from the man who appointed them to the delegates who elected them. This does not really happen for several reasons. In the first place, Vice-Presidents and the Secretary-Treasurer do not have broad power bases. Since they are all elected "at large" by the Convention, they do not have their own constituents whose specific interests they represent at the Executive Board level, whose support they must earn, but whose support they may also count upon. When they are elected, it is on the Fitzsimmons' slate at a Convention which, we shall see presently, Fitzsimmons has the authority to dominate. When they do "run" for office, they have the incumbents' advantage which in the Teamsters Union is particularly great. Since the Union is a large, sprawling conglomerate, the only way an official can gain visibility throughout the entire Union is to be appointed first to the office, have his name and photograph appear frequently and prominently in the Union's official publication mailed to every member monthly, and then go into the Convention as an incumbent-member of the Fitzsimmons' team. Incidentally, it should be noted that five members of the current Executive Board have in fact never even been elected to their current offices by a Convention. They will presumably run for their offices for the first time at the June 1976 Convention.<sup>51</sup>

In addition to their salaries from various subordinate Union entities, Vice-Presidents receive an automatic additional stipend of \$18,000 annually plus various benefits, allowances and expenses; the Secretary-Treasurer receives a \$100,000 salary. Fitzsimmons has the

<sup>49</sup>Fitzsimmons pushed through an amendment to the Constitution at the 1971 Convention which expanded the Executive Board from 12 to 15 Vice-Presidents. While the stated reason for the new positions was ostensibly to provide new crafts the Union was absorbing with representation, the real reason was to permit Fitzsimmons to consolidate his political strength by "packing" the Board with loyalists who could neutralize what lingering support Hoffa might have. Today, only the four most senior Vice-Presidents attained office during the Hoffa era. They are George E. Mock, Harold J. Gibbons, Joseph Trerotola and Robert Holmes. The following individuals were appointed by Fitzsimmons: William Presser, William J. McCarthy, Sam Provenzano, Edward Nangle, Roy Williams, Joseph W. Morgan, Edward Lawson, Weldon Mathis, Arnie Weinmeister, M.E. Anderson, and Louis F. Peick, the last four of whom have not yet been elected since they were appointed after the 1971 Convention.

<sup>50</sup>Murray W. Miller was appointed Secretary-Treasurer by Fitzsimmons in 1972 when Thomas E. Flynn died. Miller resigned in December of 1975 and Fitzsimmons named Ray Schoessling to fill the post.

<sup>51</sup>The Vice-Presidents are Weldon Mathis, Arnie Weinmeister, M.E. "Andy" Anderson and Louis F. Peick. While Ray Schoessling was an elected Vice-President, he now holds the office of General Secretary-Treasurer, the office recently abandoned by Murray W. "Dusty" Miller who similarly had been elevated by Fitzsimmons to that post from the office of Vice-President and who also had never been elected to the office of Secretary-Treasurer.

capacity to enrich each member of his Executive Board still more. As we have seen, Fitzsimmons can appoint any number of International "Organizers", a position without any specifically defined responsibilities. As we shall see in more graphic detail in Part II of this Report, it is the hallmark of the Teamsters Union that officials may simultaneously hold any number of positions, collecting full salaries for each, in spite of the fact they may not be able to devote their attention to more than one job. Vice-Presidents are no exception. Looking at the roster of Vice-Presidents just prior to the recent change necessitated by Dusty Miller's resignation, we see that 12 of the 15 men have been named Organizers by Fitzsimmons.<sup>52</sup> Remember, Fitzsimmons has an unqualified right to fire, as well as hire, his Organizers. In addition, Fitzsimmons has selected five of his Vice-Presidents as his Directors of the Area Conferences.<sup>53</sup>

Now, what do these titles represent to their holders? Money, status, and in some instances power. Conference Directors are paid \$25,000 annually<sup>54</sup> in addition to the \$18,000 they receive as Vice-Presidents, plus whatever they receive as elected officials of Locals, Joint Councils,

<sup>52</sup>The V-Ps Fitzsimmons had, as of 1974, placed on his "organizing" payroll were: George Mock, Joe Trerotola, Robert Holmes, Ray Schoessling, William Presser, William McCarthy, Salvatore Provenzano, Ed Nangle, Roy Williams, Joe Morgan, Weldon Mathis, and Andy Anderson. The three V-Ps who Fitzsimmons had not favored with Organizer status were: Harold Gibbons, Ed Lawson and Arnie Weinmeister. Fitzsimmons treatment of Gibbons will be discussed shortly. Lawson was once an Organizer but Fitzsimmons reportedly "fired" him from the post when he refused to approve Fitzsimmons' decision to remove Gibbons as Central Conference Director. Weinmeister was just appointed by Fitzsimmons as a VP in 1974.

<sup>53</sup>The Eastern Conference Director is Joe Trerotola; the Southern Conference Director is Joe Morgan; the Central States Conference Director is Roy Williams; and the Western Conference Director is Andy Anderson. As the only Vice-President from Canada, Lawson was recently appointed Director of the Canadian Conference.

There are some further circumstances which warrant our attention. In addition to serving as the Director of the Southern Conference, Morgan also serves as the elected Chairman of the Conference Policy Committee, a position which entails no additional responsibilities to those he already shoulders as the Director. Nonetheless, Morgan draws a substantial additional salary directly from the Conference. Ray Schoessling was until just recently the Director of the Central States Conference and he, too, held down the overlapping job of Policy Committee Secretary-Treasurer. Since the Conferences are subject to the President's "unqualified supervision, direction and control", Fitzsimmons could easily put an immediate stop to this practice of drawing two salaries from different union entities for doing what is essentially a single job.

Andy Anderson is the only Conference Director who has never been elected to the office of Vice-President. In fact, Fitzsimmons appointed him Conference Director six months before a vacancy occurred on the Executive Board which Fitzsimmons appointed Anderson to fill, thus qualifying him belatedly for his Conference job. For whatever reasons, Fitzsimmons obviously holds Anderson in high esteem. Not surprisingly perhaps, the Western Conference declared its support for Fitzsimmons' reelection as General President, nearly a full year prior to the June 1976 Convention.

<sup>54</sup>It is not clear who has the final say in setting the salaries of Conference Directors. Article V, Section 1(f) confers this authority upon the President alone; Article XVI, Section 3 states just as unequivocally the General Executive Board shall fix the salaries of Conference Directors. The inconsistency is of little import, however, since the Board acts largely as a rubber stamp for the President and since five of its members are voting for their own salaries and their colleagues are unlikely to withhold their approval.



or even their own Conference.<sup>55</sup> Organizers, on the other hand, are eligible to receive whatever Fitzsimmons agrees to pay them, up to a \$30,000 annual salary limit which most Organizers actually receive.<sup>56</sup> In addition, Organizers also receive a \$7.50 per diem and a \$200 monthly automobile allowance automatically plus whatever additional allowances and expenses Fitzsimmons chooses to allow. The Constitution does provide, however, that those Vice-Presidents who also hold the rank of Organizer shall receive only the full Organizer salary and benefits, rather than both that sum and the smaller Vice-President salary as well.<sup>57</sup> Thus, the status of Organizer represents an estimated \$15,000 extra to a Vice-President. Of all the Vice-Presidents, however, only the most senior, George Mock, did not hold any other elective position in the Union during 1974 that we could find; accordingly, he was the only Vice-President who could actually have devoted himself to organizing during that portion of his time which was not occupied by Executive Board matters. Fitzsimmons' appointment of so many of his Vice-Presidents as International Organizers belies his belief that one does not bite the hand that feeds him.

Finally, in addition to all the other posts which Fitzsimmons can selectively distribute among his Vice-Presidents, there is the office of Executive Assistant to the General President which he has filled with Weldon Mathis. Mathis receives an additional \$20,000 annually plus the use of a \$12,500 Lincoln for his services as Fitzsimmons' assistant — this in addition to his salary, allowances and expenses as an International Organizer and his salary as President of Local 728 in Atlanta, a job he rarely has time to devote any attention to although he has seen to it that his brother and son are both on the Local payroll and able to run the union in his absence.

In addition to the carrot, Fitzsimmons also wields a stick to assure unanimous support for his decisions among the members of the Executive Board who supposedly "supervise" his conduct at the helm of the Union. Let's take a brief look at what happens when a Vice-President crosses Fitzsimmons. The case in point is the demise of Harold Gibbons as an important International Union official. Gibbons

<sup>55</sup>E.g., prior to his fall from favor, Harold Gibbons served both as Fitzsimmons' Director of the Central States Conference and as Secretary-Treasurer of the elected Policy Committee of that Conference. See also footnote No. 53.

<sup>56</sup>While the financial data in this Report is based upon Union disclosures for calendar year 1974, PROD did learn, just as the Report was going to press, that during calendar year 1975, Fitzsimmons paid 10 of his Organizers, including his son, Richard, salaries in excess of \$30,000 despite the fact the Union Constitution clearly provides that their salaries "shall . . . not exceed thirty thousand dollars." Art. V, Sec. 1(d). The other Organizers Fitzsimmons singled out for "bonuses" in excess of the strict constitutional limitation were: Clyde Crosby, Albert Evans, C. Howard Jones, Verne Milton, Thomas Owens, George Rohrer, William Smith, W.W. Teague, and Joe Whiteford. In addition, while the same salary limitation applies to International Auditors (see footnote No. 59 below), they were all paid \$31,250 during 1975. All together, the excess payments made by the IBT to these officials during 1975 totalled \$35,000.

<sup>57</sup>Art. V, Sec. 1(b), IBT Constitution.

was a member of the old guard who was one of Hoffa's most trusted lieutenants. Gibbons left no doubt that his loyalties would run to Jimmy Hoffa in the event the former President should seek to reclaim the office from his caretaker, Frank Fitzsimmons. In addition, Gibbons was the one member of the Executive Board who broke ranks with Fitzsimmons in his blind support for Richard Nixon. In 1972, Gibbons received a total disbursement from the International alone of \$72,000; the next year, after refusing to support Nixon's reelection bid and to recant his allegiance to Hoffa, Gibbons received only \$22,700. Fitzsimmons simply stripped him of his position as Director of the Central States Conference, giving that post instead to Ray Schoessling. Since the Vice-Presidency is an elective position there was nothing further Fitzsimmons could do to Gibbons until the 1976 Convention when he could put another official on his ticket in Gibbons' place. Fitzsimmons did, however, manage to engineer Gibbons' removal from his elected position as Secretary-Treasurer of the Central States Policy Committee which cost Gibbons an additional \$30,000, the salary which went with that post.

What Fitzsimmons was able to do to Harold Gibbons, he could do to any member of the Executive Board. Quite plainly, he can easily dominate this governing body which on paper is designed to look like it supervises and guides him instead. In fact, the International Brotherhood of Teamsters is in the firm grip of a single, solitary individual — Frank E. Fitzsimmons.<sup>58</sup>

Fitzsimmons' political clout reaches far beyond the Executive Board as well. The status of Organizer is not limited to Vice-Presidents. Indeed, there is no limit to the number of organizers Fitzsimmons could appoint and he has in fact conferred this status (and the rewards that go with it) upon roughly 60 individuals at all levels of the Union. The remainder of his appointments have been doled out with equal attention to their political impact.<sup>59</sup> Although there are nearly 50 Joint

<sup>58</sup>Some will naturally contend that this statement is an over-simplification. Needless to say, there is also the chemistry of personalities working together among all of the members of the Executive Board and we do not pretend to know exactly what this particular formula may be. Again, Fitzsimmons may give certain individuals considerable rein, but the fact of the matter from a political, structural, or legal point of view is that Fitzsimmons does definitely have the authority to tighten the reins over his Executive Board.

<sup>59</sup>In a similar vein, the General Secretary-Treasurer is also empowered to appoint International (or General) Auditors, but the number of Auditors he may appoint is set by the General Executive Board which, of course, is dominated by Fitzsimmons. Moreover, the President is empowered to set the Auditor's salaries, subject to the same \$30,000 ceiling applicable to Organizers. Art. VII, Sec. 7, IBT Constitution. In 1974 the number of Auditors was set at 10 and the average take-home pay for the Auditors was \$41,000, including allowances and other benefits.

The Auditors who have been appointed by Dusty Miller, the outgoing Secretary-Treasurer, give one the impression that the position, like Organizer, is awarded on a patronage basis since none are knowledgeable accountants, nor do any of them possess professional skills in auditing. Indeed, it would appear that the Union recognizes this problem since there were 9

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Councils, roughly three quarters of the Union's membership fall within the jurisdiction of just 17 of these Joint Councils. Fitzsimmons has named at least one of the most influential officers of these Joint Councils as an International.<sup>60</sup> He was also careful to put Don Peters on his organizing payroll since Peters is the head of the largest Local in the country (#743 in Chicago) sending the largest block of delegates to the Convention. In addition, Fitzsimmons has arranged for countless additional influential officials to be made Conference Organizers in his capacity to direct and control the Conferences.<sup>61</sup>

Fitzsimmons' attention to the political effects of his Organizer appointments has induced him to pass out jobs (and salaries) to the sons of Vice-Presidents Presser, Tretorola and Mathis, in addition to his own son, and to appoint C. Howard Jones, Dusty Miller's son-in-law, as an International Organizer as well. Fitzsimmons also arranged for Vice-President Roy Williams' close associate, Sam Ancona, to be named an International Organizer.<sup>62</sup> Fitzsimmons has been equally judicious in utilizing his appointive powers to penalize, as well as benefit, lower Union officials. Thus, for example, he pointedly withheld an Organizer job from Thomas Fagen, President of Local 249 (a large Local in Pittsburgh) and of Joint Council 40 as well, while awarding an Organizer job to T.R. Cozza, Fagen's arch rival on the Joint Council. Fagen was the only other prominent Teamster official who rejected Fitzsimmons' "advice" that everyone support Nixon for President in 1972.<sup>63</sup>

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professional accountants on the IBT payroll in 1974 averaging only \$16,500 in salary, as compared to the \$41,000 paid to the political Auditors.

The patronage character of the post is illustrated by the following appointments. Bruce Mohn, the son of former Vice-President and Western Conference Director Einar Mohn is assigned to audit the Western Conference. Auditor Richard C. Bell is the son of long-term Eastern Conference official Richard Bell, Sr. R.L. Rampy, former president of Local 53 and Joint Council 23 in Montana, was rewarded with the post. As appointed International Officials, it is important to remember that every Auditor is qualified to attend the Convention as a delegate and vote on all constitutional amendments, resolutions, etc., save the election of officials.

<sup>60</sup>Fitzsimmons can also arrange for these same individuals to receive special "organizing grants" either from the International or from an Area Conference. For example, in 1974 the Central States Conference gave a \$54,000 grant to Roy Williams' Joint Council 56 in Kansas City, \$50,000 to Organizer Jack Jorgensen's Joint Council 32 in Minneapolis, and \$30,000 to William Presser's Joint Council 41 in Cleveland.

<sup>61</sup>For example, William Joyce (Local 710) and Joseph Bernstein (Local 781) received \$22,000 and \$10,417 respectively in 1974 as Central Conference Organizers in spite of the fact each received in excess of \$100,000 from the Local he headed.

<sup>62</sup>During 1974, Ancona received \$39,677 in salary, allowances and expenses from the International. In addition, he received \$35,195 from the Kansas City Joint Council which is headed by Roy Williams. In fact, Ancona grossed more in 1974 as a Teamster organizer than I.W. Abel was paid by the nation's second largest labor union, the Steelworkers, to serve as its president.

<sup>63</sup>Cozza is the president of Local 211, an insignificant Local in Pittsburgh which represents newspaper deliverymen. With Fitzsimmons' influence and support, Cozza hopes to unseat Fagen as head of Joint Council 40.

All tolled, Fitzsimmons has quite an army of loyal troupes in the ranks of his appointed Organizers. How much organizing these "organizers" do is questionable. Of the 60 International Organizers on the 1974 payroll, only a dozen or so did not hold any other Union job which placed heavy demands upon their time.<sup>64</sup> Again, one must bear in mind that those International Organizers who do not hold other elective Union positions may nonetheless attend IBT Conventions as delegates because of their status as officials of the International Union. Those Organizers, serving at Fitzsimmons' pleasure, owe their absolutely undivided loyalty to him. Thus, they tend to engage in unlimited travel and political armtwisting on his behalf rather than any real organizing at the rank and file level.

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<sup>64</sup>The subject of multiple office holding, particularly among the ranks of the International Organizers, will be discussed in some depth in Part II of this Report.



## CHAPTER 4

### **Further Examples of Presidential Powers: Crushing Political Activists and Rewarding Criminals**

One of the General President's most potent weapons is the power to impose trusteeship upon any Local or other subordinate body (e.g., Joint Council). This device may be used either to exact compliance with various laws or high principles of aggressive trade unionism, or to induce the loyalty of an independent, and recalcitrant entity.<sup>65</sup> The only restraint upon the President is that he must schedule a hearing before a panel that he may handpick. The panel must then submit its "recommendations" to him, either orally or in writing, and he may then do as he pleases since he is not bound by the panel's recommendation. The President can send in his personal representative to take over the union's "moneys, books and properties" before these hearings take place and before the trustee has terminated the elected officials of the Local.<sup>66</sup> When the President, for whatever reason, deems an "emergency situation" to exist, he may send in his trustee to take over the union on a moment's notice. He is then supposed to hold a hearing within thirty days and make a final determination within sixty days but these time limits, designed theoretically to assure affected members with some elementary due process, are in fact merely advisory. While in all likelihood a futile gesture, the Constitution does provide for appeals from the President's decision to be taken up with the Executive Board.

Once imposed, trusteeships are presumed in the eyes of the law to be valid for a period of 18 months and the burden of proving that they were not imposed for lawful and valid purposes rests on anyone challenging the President's action; thereafter the presumption and burden reverse.<sup>67</sup> According to the Union's Constitution on the other hand, while either the President or Executive Board may determine at any time that self-government should be restored and direct the trustee to conduct an election, the officers elected may not actually be installed until the President shall direct his trustee to do so. The members of the Local may not petition the President for restoration of self-government, following a majority vote at a membership meeting, more frequently than every six months.

The fact is that Fitzsimmons' power to impose trusteeships need not be exercised very often to insure his tight control of, and close loyalty among the Teamster rank and file and particularly their Local elected

<sup>65</sup>See generally Art. VI, Sec. 5, IBT Constitution.

<sup>66</sup>After Local officials are terminated, they cannot hold office in any Joint Council or Conference and may not attend any Union Convention as a Delegate.

<sup>67</sup>29 U.S.C. §464(c).

officials. His total authority to devastate self-government at the Local level has in practice been used more as a tool for stifling aggressive, independent leadership in the Union than to exact compliance by Local officials with the law or to assure faithful enforcement of collective bargaining agreements.<sup>68</sup>

While Locals have been thrown into trusteeship from time to time, it is rarely for mismanagement of funds, criminal conduct or breach of fiduciary duty. Indeed, Fitzsimmons actually seems to have a policy of consciously ignoring the many Locals and Joint Councils whose officials are widely reported to have close ties with the Mafia, to have been convicted of assorted crimes stemming from their union-related activities, or to have been involved in blatant "sweetheart" arrangements with employers which bind their members to substandard working conditions and wages. While Fitzsimmons could and should use his trusteeship powers to control corruption, he generally does not. Indeed, if a pattern exists, it seems that Fitzsimmons actually tends to single out corrupt individuals and lend them his active support.<sup>69</sup>

<sup>68</sup>For example, Fitzsimmons threw Local 695 (Madison, Wisc.) into trusteeship shortly after its politically "leftist" officials began advocating U.S. withdrawal from Vietnam and making other embarrassing statements while Fitzsimmons was lending his complete support to President Nixon's Vietnam policies.

<sup>69</sup>In a *Wall Street Journal* article (12-19-75), staff reporter John Kwitney documented a number of "sweetheart" deals between New York/New Jersey Teamster officials and area trucking outfits. Sweetheart contracts which bind certain Teamster members to working under substandard conditions and for smaller wages than many of their own union brothers are one of the Union's hallmarks. Fitzsimmons has taken no action to discipline the officials who enter into such "arrangements" despite the fact they are widely known and must first be approved by his staff on the Area Conferences. Similarly, Fitzsimmons has taken no action to unseat various officials who have distinguished themselves only with criminal records and a list of accomplishments which benefit themselves at the expense of their membership; instead he has conferred substantial privileges and benefits upon such individuals. A few illustrations follow. First, two of Fitzsimmons' Vice-Presidents, William Presser and Sam Provenzano, are widely reputed to have close contacts with organized crime. Provenzano's only credential seems to have been his fraternal relation to former Vice-President Anthony Provenzano who had to step down when he was convicted for extortion. Many believe that this appointment was designed to permit "Tony Pro" to continue to participate in Union activities through his brother in spite of the statutory prohibition against such participation. Fitzsimmons' close friendship with ex-con Tony Pro, the prime suspect in the Hoffa disappearance, is no secret; Fitzsimmons was the guest speaker at Tony's "coming-out" dinner banquet in New York City marking the expiration of the statutory prohibition on his holding Union office. Presser has been convicted of various offenses including receiving illegal payments from employers. In fact, he pleaded guilty to one indictment shortly before being elected at the 1971 Convention. Not only did Fitzsimmons not bump him from his ticket, he approved a set of Joint Council bylaws permitting the Ohio Teamster official to unlimited travel and recreation at his members' expense. Fitzsimmons has also conferred substantial benefits upon Presser's son Jackie and other cohorts Presser has put on the gravy train. (See Chapter 7 for an in-depth discussion of the Pressers and their dealings in Ohio.)

Of the three IBT Trustees whose job entails the highest fiduciary responsibility of any official in the entire Union, auditing the International's books, one of them, Frank Matula, was convicted in 1959 of perjury.

T.R. Cozza, the individual Fitzsimmons is assisting to oust Tom Fagen as president of Pittsburgh Joint Council 40, was indicted in 1959 for taking illegal payments from the Pittsburgh Sun-Telegraph after the McClellan Committee hearings revealed that he had been on

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Fitzsimmons has two other devices that permit him to put certain subordinate union officials out of business altogether. The first is to have the Executive Board revoke the Local's Charter.<sup>70</sup> While the Landrum-Griffin Act addresses the subject of misuse of trusteeship powers, it is silent on the subject of putting a Local, itself, out of business permanently. Similarly, Fitzsimmons can merge Locals or Joint Councils with larger bodies in the firm grip of a trusted lieutenant and simply put a politically independent slate of officers out of business that way instead. Should the officers and members of a Local learn of Fitzsimmons' plans to squash their political militancy, and should they seek to beat him to the punch and pull out of the Union, they would find that they cannot; they are trapped and they will inevitably be muzzled and punished.<sup>71</sup>

the newspaper's payroll throughout the 1950s. Cozza's Local union members, the men he supposedly represents, work for the Sun-Telegraph.

Rolland McMaster, former secretary-treasurer of Fitzsimmons' own Local 299 (Detroit), accepted payments from the president of Youngstown Cartage Company yet Fitzsimmons set him up in 1971 as the head of a special task force of Organizers to recruit independent, owner-operators who haul steel. Over a two year period, this task force spent in excess of 4 million dollars and accounted only for several hundred new members according to investigative reporter Dan Moldea. The unit was, at the same time, successful in "disciplining" those steel haulers the Union already represented who had insulted the Union by turning down alleged sweetheart agreements it had negotiated on their behalf in 1970. Fitzsimmons then appointed McMasters to the negotiation committee to apply his newly developed knowledge of the steel hauling industry during the 1973 contract talks.

In 1970 Donald Gillette was convicted of taking a \$12,000 payoff from the Fellows Development Company along with Joseph John Fischetti, a cousin of Al Capone. After serving six months in jail for the offense, he was elected President of Local 769, the home local of Teamster Vice-President Joseph Morgan. By 1974 Gillette left his Local and became both a Southern Conference Organizer under Morgan and an International General Organizer.

Larry Davidoff, an official in Hoffa's famous "paper locals" in New York City back in the 1950s and a convicted extortionist, was granted a new charter by Fitzsimmons to represent air freight employees at Newark Airport. His son, Mark, heads the Local representing the same employees at JFK International Airport where air freight often never reaches its consignees and finds its way instead into the hands of New York Mafia figures. Fitzsimmons has given Mark authorization to hold office in his father's Local in addition to his own.

Bernard Adelstein is another official Fitzsimmons has given his permission to run more than one Local. He figured prominently in the McClellan Committee investigations for his role in the New York City garbage scandals of the 1950s and he too has been convicted of extortion although his conviction was later overturned. With Fitzsimmons' required consent, he today makes \$140,000 a year heading two Locals and managing three Teamster trust funds.

Joey Glimco, the man Hoffa refused to oust from the Union in the early 1960s in the face of enormous pressure from the Union's judicially appointed Board of Monitors, was the beneficiary of an organizing grant of \$18,000 from the Central Conference in 1974, 1973, 1972 and 1971.

<sup>70</sup>After revoking a Local Charter, the Executive Board can mete out devastating discipline by transferring only those members to another Local who were not "responsible for the revocation or forfeiture of the charter." The Board may exclude from membership in the new Local or the Local absorbing the members from the dissolved body those individuals the Board "has reason to believe are disloyal to the International Union or who may cause disruption in the newly organized Local Union." Art. IX, Sec. 3(a), IBT Constitution.

<sup>71</sup>Article XX, IBT Constitution, provides in part that "No Local Union can dissolve, secede or disaffiliate without the approval of the General Executive Board while there are seven (7) dissenting members." Every member is presumed for these purposes to oppose dissolution or secession unless he has actually submitted a notarized affidavit to the IBT Secretary-Treasurer within the calendar month in which the request for secession is made. Moreover, "fostering

(Con't. on following page)



Of course, there is no need for Fitzsimmons to totally obliterate a Local Union or arrange to have its elected officials dismissed. There are a number of more subtle ways he can undermine officials without appearing to have denied the Union's rank and file their democratic rights. A simple device is to grant a new Local Charter to a clique of loyalists within the rebel Local and then transfer the membership out from under the rebel leaders into the new Local. If the targetted officials have gained control of a Joint Council, Fitzsimmons can easily undermine their base of support by redefining the boundaries of the Joint Council to include more loyal Locals or to exclude those Locals who comprise the officials base of support. The same goal can also be reached simply by chartering some "paper" Locals and putting puppets in the officers' seats. Remember, there is no "one man/one vote" at the Joint Council or Conference Policy Committee levels of the Teamsters Union; each Local, regardless of the number of members in that Local, is entitled to the same number of votes when electing the officials of those important Union entities.

Fitzsimmons' authority to approve the bylaws of every subordinate union entity has been used to obstruct reform efforts and to aid his loyal supporters. Two cases provide ample illustration of this point.

First, in 1972 the members of Warehouseman's Local 853 in the San Francisco bay area overhauled their bylaws despite the opposition of their elected officials. The new bylaws required the Local officials to provide the membership with quarterly financial statements and permitted the rank and file to elect contract negotiating committees rather than entrust the negotiation of contracts always to their officials. The bylaws also provided for the transfer of substantial control over the processing of contract grievances from the officials to an elected stewards' council. The members mustered the necessary 2/3rds vote to adopt the new bylaws and forwarded them to Fitzsimmons for his approval. However, Fitzsimmons simply would neither approve or disapprove their bylaws in spite of the petitions they sent imploring him to do so. It was not until after several hundred members filed suit against Fitzsimmons two years later that he finally granted his approval.

On the other hand, Fitzsimmons required less than a month to review and approve a 1971 revision of Joint Council 41's bylaws that gave

secession" is grounds for disciplining members and officials under Article XIX, Section 6. In the event the members should actually be able to get past these practically insurmountable obstacles, they would forfeit "all properties, funds and assets, both real and personal" owned by their Local to the IBT. Under these conditions, it is virtually impossible to imagine any circumstances in which a Local could disaffiliate from the IBT.

The only other means by which members can disaffiliate from the IBT is to do so individually, rather than as a collective Local entity. This can be accomplished only by decertifying the Local as their bargaining representative in a NLRB proceeding. Such proceedings are permitted by law, however, only during a 30-day period preceding the expiration of their collective bargaining agreement (between the 90th and 60th day preceding the expiration date) or after the contract has expired in the event a new contract has not yet been ratified. Otherwise, as long as there is a contract in force, the members cannot disaffiliate via the NLRB decertification route.

William Presser virtually dictatorial control over the 100,000 member Cleveland Joint Council. The revisions also granted Presser an unlimited travel account and permission to bring along anyone he pleases whenever he finds it necessary to "refresh his health and general well being." Three months later, Fitzsimmons received Presser's endorsement and support at the IBT Convention when he was elected the Union's General President in his own right for the first time.

The many judicial powers conferred upon the General President by the Constitution also give Fitzsimmons the opportunity to pay off his supporters and deprive other individuals of their rights and privileges. All complaints concerning pre-election conduct (usually against incumbents) and eligibility to hold office (usually brought by challengers) are referred to Fitzsimmons for resolution. Disputes arising over the conduct of the election are appealed to the full Executive Board.<sup>72</sup> The General Executive Board is also the appellate body which hears all cases involving the disposition of charges against members or officials<sup>73</sup> alleging any of the following offenses: breach of the Union's Constitution as construed by the President, violation of the oath of loyalty, embezzlement, fostering secession, written or oral abuse of officers, filing charges in bad faith, any action which interferes with the performance of contractual duties, or crossing authorized picket lines.<sup>74</sup> In the event Fitzsimmons is predisposed to rule against a particular individual in the event charges should be preferred, there is never a problem finding someone to initiate a proceeding which will then vest the General Executive Board with jurisdiction to discipline the individual or group.<sup>75</sup>

<sup>72</sup>The General President, however, is authorized to hear and decide all protests or charges concerning the conduct of Joint Council elections. Art. XV, Sec. 2(d), IBT Constitution.

<sup>73</sup>See generally Art. XIX, IBT Constitution. Charges filed against members are tried by their Local Union Executive Board. Charges filed by members against any member of their Executive Board are tried by the other members of that Board. Charges filed against an entire Local are tried by the Executive Board of the Joint Council with which the Local is affiliated. Charges filed against a Joint Council are tried in the first instance by the General Executive Board of the International.

<sup>74</sup>The specific offenses for which members may be disciplined are set out in Art. XIX, Section 6, IBT Constitution. Item #5 reads: "Abuse of fellow members and officers by written or oral communication." The very presence of this prohibition in the Constitution could very possibly have a chilling effect upon the members' statutory free speech rights conferred by Title I of the Landrum-Griffin Act. 29 U.S.C. 411(a)(2). Should this "ground" for discipline ever be invoked by a union tribunal, its action would undoubtedly be subject to being reversed by a federal court which would probably also assess punitive damages against the members of the tribunal for suppressing members' democratic rights.

<sup>75</sup>For example, when a slate composed of a number of PROD reformers stressing the need for more aggressive representation particularly in the area of workers' safety and health unseated in December, 1974 the entire slate of incumbents in Local 667, Memphis Tennessee. A protest citing pressure by the U.S. Department of Labor was quickly filed by an individual who confided to several sources that he had been requested to do so by "an individual at the top of the Union in Washington, D.C." Joint Council 87 promptly held that the election should be overruled due to U.S. Government interference in saying that it would investigate charges that the incumbents, and Fitzsimmons, had improperly ruled that the leader of the reform faction was ineligible to run for office. The General Executive Board then rubber stamped the Joint Council's decision.



By the same token, Fitzsimmons is vested with discretion to assume jurisdiction and try cases himself, upon a mere 48 hours notice to the individuals involved, whenever he should believe that an imminently dangerous situation exists which threatens the welfare of any organizational entity in the Union.<sup>76</sup> The penalties he can mete out range from reprimands or fines to suspension or expulsion, charter revocations, and temporary or permanent denial of the right to hold office. The General Executive Board does still function, however, as the final appellate tribunal for those individuals who are aggrieved by adjudicatory decisions.

On the other hand, should charges be filed by a member against Fitzsimmons, his case will be heard in the first instance by his colleagues on the Executive Board who can be expected to dismiss the charges unless they should unanimously decide to mutiny. Executive Board decisions involving charges against any member of the Board are appealable to the entire Convention when it is next convened.<sup>77</sup> This procedure is largely meaningless for, as we shall see presently, the General President can manipulate convention business and most of the delegates are in one way or another beholden to him. Clearly, the Constitutional procedures for conducting trials and disciplining either members or Union officials is a single edge sword which can be used effectively only by officials against the rank and file, or by higher officials against lower officials. The Union's General President, Mr. Fitzsimmons is virtually immune from this system. Accordingly, this lopsided disciplinary procedure affords Fitzsimmons and other Union officials with yet another device for pressuring dissidents who might be inclined to exercise some independence in accordance with democratic principles.

There is yet another procedure Fitzsimmons and his lieutenants have available to them for eliminating dissent within the Union's ranks — the grievance machinery. While a member's rights within his union may be highly significant, ultimately the most important concern of any working man or woman is his job. When a worker is unfairly harassed, suspended or discharged by his employer, he is virtually at the mercy of his Union which has sole discretion with regard to the processing of grievances.<sup>78</sup> This is true, of course, for most every employee covered

by a collective bargaining agreement. However, unlike other unions which provide their members with impartial arbitrators, the Teamsters Union frequently utilizes bipartite, union-management committees comprised of an equal number of union and management representatives with no outside, or neutral tie-breaker to resolve impasses. This feature is tremendously important since the Union officials who sit on the grievance committees can "dump" a perfectly meritorious grievance filed by a dissident while nonetheless meeting the legal requirements required to immunize the Union from all liability.<sup>79</sup>

Since Fitzsimmons and his lieutenants have the ability to determine who shall represent the Union on these joint committees, they are in a comfortable position to impose upon any dissident the most devastating form of discipline of all — loss of employment.<sup>80</sup> That opportunity may

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a collective bargaining agreement which may have been negotiated by his employees' certified union. Contracts generally prohibit "unjust" discipline by employers leaving the specifics to be resolved on a case by case basis via the grievance machinery. While most legal contracts are interpreted and enforced by the courts, union contracts are an exception. In a series of decisions referred to as the *Steelworkers Trilogy*, the U.S. Supreme Court has uniformly held that disputes arising under labor contracts must be resolved by the grievance procedures contained in those contracts and that the courts must respect and defer to grievance decisions, be they right or wrong.

<sup>79</sup>A union's liability is spelled out in Supreme Court's decision in *Vaca v. Sipes*, 366 U.S. 171 (1967). Generally it is under an obligation only to act in good faith when processing grievances. However, to prove that a union has breached its duty of fair representation, a member must actually be able to prove with probative evidence that it acted arbitrarily or in bad faith. Generally, the courts look only to whether a union has "processed" the member's grievance through the grievance machinery. Teamster grievances must automatically be "processed" before joint committees and are invariably resolved by majority vote of some committee. Thus, the courts are satisfied in light of the fact they customarily focus exclusively upon unions' prosecutorial roles. They simply overlook the critical fact that the Teamsters have wrapped themselves in the robes of both prosecutor and judge of their members' grievances. Moreover, since joint committees rarely issue written opinions and since their deliberations are secret, there is absolutely no way a member can prove that the Union committee representatives "dumped" his grievance arbitrarily or in bad faith.

<sup>80</sup>The grievant's own Local officials only act as advocates before joint committees. Other Union officials sit on the committees. Many of these Union committee members are closely tied into the Union's power structure and are the beneficiaries of many privileges and subject to pressures which filter down from Fitzsimmons. Thus, on the one hand, if the grievant's own Local official passes the word to his colleagues who will be sitting in judgment of his grievant that he is not in fact anxious to win the grievance, they are likely to respect his "advice" in the hopes that when they exchange places on another day for another grievance he will respect their advice in turn.

On the other hand, the Local official may earnestly advocate a grievant's case only to find that it is doomed since either the grievant or the official, himself, is out of favor in the Union's power structure. Thus, in spite of the fact grievances presented to joint committees are 100% meritorious, stemming from outrageously unfair or totally arbitrary employer conduct, the joint committee can do with them as it pleases. Since its decisions are rarely reasoned, written opinions, it is not bound by its own precedents. It can easily dump or "horse trade" strong cases in order to win weak cases brought by "party loyalists". By the same token, if a group of dissidents should be elected at the Local level, their base of political support would rapidly evaporate if they were unable to win any of their members' grievances before joint committees dominated by other officials whose loyalty has either been bought or coerced by Fitzsimmons. In fact, it is Fitzsimmons practice to have one of his Organizers pay a visit to such exuberant,

<sup>76</sup>See Art. XIX, Sec. 10, IBT Constitution.

<sup>77</sup>The United Auto Workers provide a unique procedure for the appeal of similar decisions to a totally impartial Public Review Board. The members are all highly respected leaders of our public institutions with no connection to the UAW or its officials. While funded by the union, its funds are guaranteed and the union cannot terminate any member or in any other manner affect the decision-making process. Knowing that objective, impartial "outsiders" are looking over their shoulders may operate both to keep the UAW leadership in strict compliance with the Union's constitution and to inspire more confidence among the rank and file in their leaders.

<sup>78</sup>An employer's discretion to treat his employees arbitrarily is curtailed only by a few statutes forbidding certain specified forms of discrimination (e.g., race, sex, age, union activities) and by (Con't. on following page)

arise when an employer independently fires an activist employee who is rocking the boat or it may be arranged by a Union request to the employer. In either case, the Union can seal its member's misfortune by voting to deny his grievance. On the other hand if the Local leadership are activist reformers, the Fitzsimmons' loyalists who control the joint committees can undermine the Local leaders by denying most of the grievances they prosecute on behalf of their members.<sup>81</sup> In any case, the joint committee grievance machinery leaves the rank and file, as well as their more aggressive, reform oriented leaders, at the mercy of the Union's incumbent power structure dominated, of course, by Fitzsimmons. This is one important reason why such a large percent of the Teamster rank and file is so docile and easily manipulated by their "elected" leaders.

In light of the foregoing discussion, it should be clear that General President Fitzsimmons has a bewildering array of powers which enable him to harness the goliath Teamsters Union and run it as he pleases. Fitzsimmons can both buy support and quell dissent — almost before it ever materializes. For whatever reasons, a substantial number of the beneficiaries of his largesse have been individuals distinguished more by their criminal records and their long histories of selling out their members' interests with "sweetheart" contracts than by their reputations as aggressive, law abiding trade unionists. These same individuals, and others, have also benefitted by Fitzsimmons' general laissez-faire attitude which has permitted them to go about their business without interference provided they do not cross him at any important political juncture.

Fitzsimmons also has the power, and he has not hesitated to use it when necessary, to put dissidents out of business before they ever really get into it — literally to nip dissent or any reform movement at the bud. This top-weighted power structure is more characteristic of a military machine than of a democratic union. Of course it may be argued that to be effective unions must be well-heeled organizations which can present a strong, united front. However, implicit in the democratic philosophy is the notion that the majority may dictate policy to the minority so long as it is in power. Thus, theoretically if Fitzsimmons, or any other Teamster General President, really did represent the majority of the Union's rank and file, it might be argued that we should overlook the fact he can unify the Union behind him, albeit at the expense of

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newly elected reformers and "remind" them of precisely this fact, asking of course for their cooperation and support — an offer they can hardly refuse.

Finally, of course, should the Union joint committee representatives at various regional levels stick behind a grievant with whom Fitzsimmons is out of sympathy, the case will repeatedly deadlock and ultimately get referred to the National Joint Committee on which he sits with his trusted Vice-Presidents. Nothing further need be said. Thus, the grievance machinery also lends itself to Fitzsimmons as a most potent, political tool.

<sup>81</sup>See preceding footnote No. 80.

quelling dissent.<sup>82</sup> Therefore, we must now turn our attention to the Teamster Convention, the process by which Fitzsimmons gets "elected" to his enormously powerful position, to determine whether it may fairly be said that he does represent a majority of the Union's members.

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<sup>82</sup>This argument overlooks, of course, the vitally important ingredient in any democratic institution that the minority shall always have the opportunity to win converts and to become the majority. By squashing dissidents and quelling dissent, the Teamster leadership hardly afford the minority this opportunity.



## CHAPTER 5

### The Teamster Convention: A Hollow Democratic Body

Teamster General President Fitzsimmons and the rest of the International Union officials (General Secretary-Treasurer, 3 Trustees and 15 Vice-Presidents) are NOT elected by the Union's rank and file. Rather, they are elected by delegates who theoretically represent the members at the International Conventions held once every five years, the minimum frequency permitted by law. Who are these delegates and do they in fact reflect the will of the Union's 2.3 million members?

As we have seen, each Local in good standing<sup>83</sup> is entitled to send a number of delegates which roughly reflect the size of its membership.<sup>84</sup> In addition, each Joint Council and Area Conference is entitled to send a single delegate regardless of the number of members its jurisdiction embraces.<sup>85</sup> And finally, all appointed International auditors, organizers and other officials are entitled to attend.<sup>86</sup> Every delegate, with the exception of the various International officials, must have been elected to some office in a Local by the Teamster rank and file within the previous three years.<sup>87</sup> However, they were not elected specifically for the purpose of attending the Convention and casting votes reflecting their members' mandate with respect to specific candidates, constitutional amendments or other issues. Instead, they were elected by the Local rank and file to negotiate and enforce contracts affecting them, to audit the Local's books periodically (trustees) or even just to attend meetings and take notes (recording secretary).<sup>88</sup>

<sup>83</sup>A Local in trusteeship may not send any delegates.

<sup>84</sup>The Local may send one delegate for the first 1,000 members or less, and one additional delegate for each 750 members or major fraction thereafter. Thus, at the 1971 Convention, Local 47 with 1320 members sent one delegate as did Local 94 with 80 members.

<sup>85</sup>At the 1971 Convention, 49 Joint Councils sent delegates as did 13 Conferences. These 62 additional delegates were permitted to vote for International officers. They did not either directly or theoretically represent any members, nor did their numbers correspond in any way to the numbers of members within their jurisdiction. The size of Joint Councils range from only a couple thousand to several hundred thousand members. The number of members embraced by the Conferences ranged in 1971 from 110,000 in the Southern Conference to 670,000 in the Central States Conference. The participation by these delegates in the elective process would appear to be violative of the Landrum-Griffin Act's "one man/one vote" requirement. See 29 U.S.C. 411(a)(1).

<sup>86</sup>At the 1971 Convention, 31 delegates representing the International Union attended and voted on all matters before the Convention save the election of International officers.

<sup>87</sup>This is true since Local union elections must, by law, be held no less frequently than every three years. 29 U.S.C. 481(b).

<sup>88</sup>The Landrum-Griffin Act requires international union officials to be elected not less often than once every five years "either by secret ballot among the members in good standing or at a convention of delegates chosen by secret ballot." 29 U.S.C. 481(a). It is unlikely the Congress contemplated that the delegates might have been selected years before for an entirely different purpose, albeit in an election by secret ballot.

Even if the Teamster rank and file did have the opportunity to elect individuals solely for the purpose of attending IBT Conventions, the exercise would be largely futile. The identity of the candidates for office, the business which will be considered, the amendments and resolutions which will be presented for adoption, are not announced prior to the actual convocation.<sup>88</sup> This policy<sup>89</sup> precludes the rank and file or their Local leaders from evaluating the candidates and issues and from formulating any sort of a consensus before the Convention. Instead, the delegates are presented with a programmed Convention where they rubber-stamp decisions that have already been made by the Union's incumbent administration.

The delegates to the Convention are almost exclusively Local elected officials.<sup>91</sup> We must ask, how independent of the incumbent administration of the International are these delegates? Remember, Fitzsimmons and his handpicked lieutenants have been wielding their far-reaching powers to confer privileges and benefits on these officials over the previous years and have also been working to eliminate any opposition among the ranks of the Local officials. In addition, Fitzsimmons doles out hundreds of thousands of dollars in additional favors to various delegates attending the Convention. Fitzsimmons has this ability by virtue of his authority to create any number of Convention Committees comprised of any number of delegate-members he may wish to appoint. These individuals are then compensated whatever amount the incumbent General Executive Board may set for their services.<sup>92</sup> In addition to himself, Fitzsimmons selected 187 other delegates to the 1971 Convention to reward with special remunerative assignments.<sup>93</sup> How impartial these many beneficiaries of President Fitzsimmons' largesse may be is the subject of legitimate skepticism.

<sup>88</sup>In a very few instances, the rank and file do have the opportunity to elect individuals solely to serve as delegates. When a Local is entitled to send more than seven delegates (see formula in footnote No. 84, above) the 7-member executive board which will be attending the Convention selects the additional number from the ranks of the business agents in the event they were elected, rather than appointed (this varies from Local to Local). If there are not enough business agents or if they were not elected, then and only then is a special election called.

At the 1971 Convention where some 800 Locals sent delegates, only 36 Locals sent more than 7 delegates. Of these, it is not known how many actually had to hold special elections for delegates. We do know that the bulk of them were eligible to send only a few additional delegates. Only 9 Locals were eligible to send 12 or more delegates.

<sup>89</sup>Sole discretion with regard to determining and scheduling the order or business is vested in the incumbent General President. Art. III, Sec. 9, IBT Constitution.

<sup>91</sup>The final say with regard to who shall be eligible to attend is vested for all intents and purposes with the Credentials Committee. The incumbent General President and Secretary-Treasurer are automatically members of the committee which must be composed of at least 7 delegates-elect; the President, however, appoints the remaining members. Art. III, Sec. 7, IBT Constitution.

<sup>92</sup>Art. III, Sec. 8, IBT Constitution.

<sup>93</sup>For example, 49 delegates received a minimum of \$1,300 each for serving as "sargents at arms." The most highly paid Committee members were the delegates who served on the all-important Constitutional Amendments Committee. They each received between \$2,700 and (Con't. on following page)

Under these circumstances, if an amendment or resolution were offered which the incumbents did not favor, few of the delegates are likely to forget how nicely they were treated by the incumbents over the years. Even the few bearing grudges who may have succeeded in holding on to their Local elective positions will consider very carefully their future in the Union (or even in a Union represented industry) when pondering whether to cast a vote which might antagonize the Teamster leadership unless they felt virtually assured that they could oust that leadership during the elections on the last day of the Convention.

In fact, however, the possibility of pulling off a successful coup is extremely remote. It would require extensive organization and advance work that would probably be discouraged by Union officials. Fitzsimmons clearly has the means to quash such activities. Moreover in order to execute a successful coup, the delegates might have to elect an entire slate of new Vice-Presidents who would back their new President.<sup>94</sup> Even if the delegates could succeed in accomplishing this feat, however, they would still have to face the fact that the incumbents they had ousted would continue to hold various other "elected" union positions on Joint Councils and Conferences which would enable them to "vent their frustrations" with whatever powers they still retained. Thus, even if the delegates were sufficiently organized and could hurdle the many obstacles, they would still face the very real prospect of having to weather a storm of severe reprisals.<sup>95</sup>

The delegates might not fear such reprisals, of course, if their votes during the Convention were secret. Needless to say, voting at the Teamster International Convention is not secret and this is not because the Convention architects were hoping to make the delegates accountable to their constituents in the Union's rank and file. At this point, let us take a closer look at how Teamster Conventions are run and what the voting procedures are in fact.

As we have seen, the General President is authorized to appoint various Convention committees, the most important of which is the

\$4,000 over and above all other salaries and allowances. The total sum expended for such delegate services at the 1971 Convention was roughly \$300,000.

<sup>94</sup>Even if a number of the Vice-Presidents were hostile to a new, popularly elected President, he could probably still gain firm control of the International, given time, by exerting his many forms of influence over them. However, should the Constitution be overhauled to make the Vice-Presidents accountable to specific constituencies, they would become largely immune to such Presidential influence.

<sup>95</sup>Only a well known personality like Jimmy Hoffa who already had a well organized network within the Union could possibly succeed in pulling off such a coup. Hoffa, for example, continued to have the respect of a large percent of the Union's Local officials who would have been confident that he would do everything within his power to consolidate his power quickly and to protect them. Moreover, because of his special reputation, many of Fitzsimmons' "loyalists" could probably have been counted upon to abandon ship if they had felt there was any real possibility Hoffa might have won. They undoubtedly would have made every effort to be a part of his bandwagon.



Constitutional Amendments Committee. This Committee is charged with responsibility for preparing all "proposed amendments to the International Constitution for submission to the Convention."<sup>96</sup> Of the 30 members Fitzsimmons appointed to this Committee for the 1971 Convention (in addition to himself), an overwhelming majority (19) were on his immediate payroll and the remainder were all carefully selected individuals upon whom he had conferred many privileges and benefits and whose support was virtually assured.

Any attempt to reform the Union's structure to make it more democratic would necessarily pose a threat to the General President. Such reforms would necessarily diminish his sweeping powers and cut into his practically unlimited discretion to steer the giant Union and its rank and file. Any such effort would, of course, require numerous amendments to the Constitution which is the vehicle by which he derives his authority. These amendments would, of course, also have to survive his stacked Constitutional Amendments Committee. On the other hand, should the President wish to expand his authorities, or "tighten the noose", there is little doubt that his Committee would offer the appropriate amendments to the delegates for their approval.

Not only does the President have considerable control over the substance of the Convention's business, he has total control over the order of business and may alter it at any time without notice. In this connection, it is noteworthy that amendments and all other actions by the Convention "shall be adopted by a majority vote of the delegates present, seated and voting at the time of submission of the amendment or other proposed action to the Convention."<sup>97</sup> There is no other requirement for a quorum and the President may accordingly manipulate the results of a Convention by offering various matters for consideration and adoption whenever he believes the delegates' mood is favorable to acceptance, or when few delegates, except his supporters, are present and seated. Remember also that there may be any number of International officials (organizers, auditors, etc., whose only allegiance is to their boss) who, as delegates to the Convention, will be voting on all resolutions and amendments. In any case, the President can spring matters of business upon the delegates at any time and can thereby effectively prevent those delegates who might wish to oppose an amendment or other item of business from organizing their opposition.<sup>98</sup> Finally, as

<sup>96</sup>Art. III, Sec. 8, IBT Constitution.

<sup>97</sup>Art. III, Sec. 9(b), IBT Constitution.

<sup>98</sup>The rules of the 1971 Convention did provide for reconsideration of adopted amendments. Theoretically, if an amendment had been pushed through while most of the delegates were elsewhere, or before they fully appreciated its significance, they could repeal it. However, the rules required that such action had to occur during the same day in which the amendment was adopted and two thirds of the delegates were required to vote in favor of reconsidering the amendment.

chairman of the Convention, the General President can also cut off debate, should it begin and President Fitzsimmons has been known to resort to this parliamentary maneuver.<sup>99</sup>

Now, how is the voting actually accomplished? By recorded vote? No. Virtually all matters at the Convention are determined by voice vote or, where there is doubt, by a "division of the house" whereby delegates either raise their hands or stand to be counted. This voting technique is used also when electing each of the 15 Vice-Presidents.<sup>100</sup> The technique does not, however, permit the Union's rank and file to determine how the delegates supposedly representing them in fact voted.<sup>101</sup> The Constitution does call for a roll call vote only in three instances: when there is opposition to candidates for the offices of 1) President, 2) Secretary-Treasurer or 3) Trustee.<sup>102</sup>

The election of officers is a somewhat curious process. Each Vice-President is elected separately, starting with the 1st Vice-President and running through the 15th. Their numbered designation refers only to their seniority on the General Executive Board since they are elected "at large", rather than from any sort of numbered constituencies, geographic conferences or trade divisions. Every delegate votes for every Vice-President. Oddly, however, the Constitution prohibits any individual from running for more than one International office and each

<sup>99</sup>For example, at the 1971 Convention an effort was made to permit discussion and debate on the recommendation of the Appeals and Grievance Committee that the appeal of members of Local 208 (Los Angeles) protesting trusteeship be denied. The Committee report was read. It contained no factual discussion whatsoever and merely assured that the members (handpicked by Fitzsimmons) had read the Executive Board's decision and reviewed the exhibits and had concluded that it was proper. When one delegate asked, on a point of order, whether the appellants would be allowed to appear personally and argue their case, Fitzsimmons ruled him out of order on the grounds that a motion was on the floor to approve the Committee's recommendation. The ensuing "aye" vote of course mooted the debate question. Catch 22!! "Proceedings of the 20th Convention", 1971, pp. 263-266.

The subject of a dues increase did produce debate which then-chairman Einar Mohn permitted. When he turned the chair back to Fitzsimmons, the President made a lengthy speech in favor of the dues increase and then sought to cut off debate. On a point of order which permitted the delegates to decide whether to cut off debate, Fitzsimmons lost a vote and was forced to permit continued debate. *Id.* at pages 304-342.

<sup>100</sup>At the 1971 Convention, there was no serious dissent on any issue and the "division of the house" technique was never used. The only opposition to confront any vice-president was fleeting; John Greeley was nominated to oppose Ed Nangle but he immediately and graciously declined to accept the nomination.

<sup>101</sup>This after-the-fact knowledge would not, of course, permit the rank and file to participate in a meaningful way in Convention activities anyway. At best it would permit them to oust an official from office at the next Local election owing to the way he voted several years before. This is unlikely because most members will consider the action to be "water over the dam" and their memories will fade; if the official is doing a reasonably good job with regard to contract enforcement and other more visible, "at home" matters, as an incumbent he stands little chance of being thrown from office in spite of his Convention voting record.

<sup>102</sup>Art. IV, Sec. 2, IBT Constitution. Since there are 3 Trustees, the roll call would be used only if there were a fourth candidate in which case each delegate would cast only three votes and the individuals receiving the most votes would be elected. There were no roll call votes at the 1971 Convention since none of these officers were opposed.



numbered Vice-Presidency may be considered a separate office.<sup>103</sup> Each incumbent Vice-President is secure in his particular numbered slot and none will oppose any other; the General Executive Board "club" is designed to self-perpetuate intact with no internal controversy or upheaval. The situation is totally uncertain and most confused, however, if you are a hopeful challenger. If Vice-Presidents have no constituencies, why aren't they elected, like the trustees, on the basis of cumulative voting and why can't you just run for the office of Vice-President without having to pick a particular slot or individual to oppose?<sup>104</sup> Any opposition to Fitzsimmons' hand picked team is obviously intended to be frustrated.

Were a candidate to emerge and oppose a particular individual for his Vice-Presidential slot on the Executive Board, his chances of success would be small indeed. While incumbency is generally an advantage in any political campaign, the structure and rules of the Teamsters Union make incumbency an overwhelming advantage to International Teamster officials.<sup>105</sup> The Union's vast size and diversity allow no individual who has not already served on the Executive Board to become sufficiently visible throughout the entire Union to have become a "known commodity" behind whom the delegates from every corner of the sprawling Union could throw their support. Moreover, since the incumbent Vice-Presidents have not had to represent or

<sup>103</sup>Art. IV, Sec. 2, IBT Constitution.

<sup>104</sup>The only restriction upon Vice-Presidents is supposedly that no two are supposed to come from the same state. Therefore, if there already is a Vice-President from your state, you might have no choice but to run against him. This restriction might make sense if Vice-Presidents were elected only by a limited group of "constituents" from a particular "territory", be it geographic or craft, or some of both. In fact, it operates as a severe restraint upon those who might seek office.

Indeed, Fitzsimmons has, himself, already violated this Constitutional prohibition by appointing Andy Anderson as Vice-President while George Mock was still on the Executive Board, since both are from the state of California. The relevant provision in the Constitution does contain a "grandfather clause" which reads, "... provided that this provision shall not disqualify any member of the General Executive Board as of the 1961 Convention from continuing in such position and from eligibility for re-election at the 1961 and subsequent Conventions." Art. IV, Sec. 1(c). This language, like all grandfather clauses, was intended only to protect those already on the Executive Board from having to relinquish their posts in deference to a colleague on the Board who is also from their home state. Thus, since Joseph Diviny, Einar Mohn and George Mock were all three of them already Vice-Presidents prior to the 1961 Convention, all were permitted to continue to serve on the Executive Board in spite of the fact they all hailed from California. The overall prohibition would have prohibited, however, the appointment or election of yet another Vice-President from the State of California since the grandfather clause does not embrace new officials who would not have to face the prospect of a "demotion" but rather would merely have to wait their turn until there were no other Vice-Presidents from their state of California, or any other state, on the Executive Board or who could eliminate the one remaining official from their state by defeating him. Nonetheless, Fitzsimmons did recently appoint Andy Anderson as a Vice-President while George Mock was also still on the Board.

<sup>105</sup>Remember, of course, how each Vice-President, Trustee and Secretary-Treasurer originally obtained his incumbent status — by Presidential appointment. The Teamsters' so-called "elective process" is therefore hardly a democratic model since it serves in reality as no more than a rubber stamp to impose the appearance of a democratic seal upon the General President's selection of personnel.

report to any constituency in the past, the vast majority of the Convention delegates have no way of judging their performance on the Executive Board or determining that they should be ousted. Remember also that since there are no issues, no debates, no platforms, and no campaigning in the traditional sense prior to Teamster Conventions, there is no way for a challenger to distinguish himself and become known among the many Convention delegates.

On the other hand, the incumbents' names have been printed prominently on the masthead of the Union's monthly publication sent regularly to every member in every geographic and trade division. The members' and delegates' familiarity with these officers is enhanced by regular publication of their photographs in the *International Teamster*, photographs which often reflect various "work sessions" which the magazine applauds as having produced important new benefits for the rank and file.<sup>106</sup> The incumbents have also been able to travel widely at Union expense and meet frequently with a large percent of the Convention delegates for whom they may have helped to arrange, and then have voted to ratify, various loans, privileges, and other benefits conferred by the General President. In short, unless an International Teamster incumbent grievously stubs his political toe and obtains wide notoriety in the national press, he is a virtual shoo-in at the Teamster Convention.

Now, if the incumbent Vice-Presidents, Trustees and Secretary-Treasurer are secure in their positions,<sup>107</sup> the General President is virtually immune to ouster at a Teamster Convention. He, too, has all of the advantages of any other incumbent International official in addition to his vast powers that reach down through the Union's hierarchy to the Convention delegates. While all of this most certainly benefits his candidacy, the Constitutional prohibition against running for more than one International office virtually assures that he will not be opposed by any member of his Executive Board team, i.e., anyone of sufficient reputation and stature throughout the Union to pose any

<sup>106</sup>It may be said that every similar publication does inevitably tend to project the incumbents even though it may be reporting objectively only legitimate news items of interest to its readers. The *International Teamster*, however, makes little effort to faithfully communicate all news of interest to Teamsters and it does actively promote those incumbents on the General Executive Board who remain loyal to the man who supervises its publication, Frank E. Fitzsimmons. Thus, for example, neither Vice-President Harold Gibbons' name, nor his photograph have appeared in the body of the Magazine since Fitzsimmons "exiled" him. The Magazine gave no coverage to the "resignation" of Dusty Miller for months; indeed, Fitzsimmons did not even send a telegram or letter to Local Union officials informing them of the resignation and his appointments. The rank and file and their Local elective leaders only learned of the event through word-of-mouth and through the national press. In fact, any seasoned reader of the *International Teamster* will readily attest to the fact that the publication serves much the same interests within the Union as does the official Communist publication, *Pravda*, within the Soviet Union.

<sup>107</sup>This assumes of course that the General President will support their candidacies.

threat whatsoever.<sup>108</sup> A dark horse simply would never stand a chance of winning election to the office of International Teamster General President and no one but a dark horse would ever try.<sup>109</sup>

In conclusion, unless the Teamster Constitution is substantially modified, if not completely overhauled, it is practically inconceivable that an incumbent International Teamster President will ever be voted out of office. Once an individual has attained that position of enormous power, he has essentially been vested with tenure. This situation is, of course, completely inconsistent with any and all notions of union democracy — at least above the Local level. As the Union is presently structured, the International Teamster President is simply not accountable to the 2.3 members of his giant Union. Power, in the Teamsters Union, does not flow uphill to the President from the rank and file; rather, the President derives his sweeping powers to dictate policy and dominate both officials and the rank and file directly from the Union's Constitution. In the Teamsters Union there will be no Jock Yablonskis or Eddie Sadlowskis, there will be no one.

The Teamster Constitution is the key to the General President's power; whether the Union's rank and file have the key to their Constitution is, however, uncertain. Having once permitted their autonomy to slip so entirely out of their hands, largely upon the bidding of Jimmy Hoffa, it is probable that the Union's rank and file may not be able ever again to regain the upper hand and assert democratic control

<sup>108</sup> Jimmy Hoffa, on the other hand, was the one "outsider" with sufficient reputation and stature to pose a threat. See footnote No. 95 above.

<sup>109</sup> Again, should an incumbent member of the Executive Board run for President and fail, he would automatically lose his position on the International Executive Board since he would be disqualified from running for his own seat. Moreover, after having distinguished himself as a Presidential challenger who might very possibly try again in five years, there is every likelihood that he would face an extremely rocky future while trying to hang on to whatever other offices he may hold within the Union's hierarchy in the face of the President's efforts to freeze him out. In any event, the individual would drop out of sight for all intents and purposes and would at best arrive at the next Convention as a relatively unknown commodity to many of its delegates.

Only if a member of the Executive Board had nothing to lose would he be willing to challenge Fitzsimmons. Thus, Harold Gibbons has successfully been frozen out of every Union office he once held and he will most probably not be a part of the Fitzsimmons' team nominated at the 1976 Convention. He would have nothing to lose by opposing Fitzsimmons. Similarly, any Vice-President who should ever be on the verge of retiring and whose Union pension should be absolutely secure yet who has a burning ambition to oust Fitzsimmons and/or become General President might conceivably run.

Normally, however, the Vice-Presidents are content to serve in the shadow of the General President, to make himself as agreeable as possible to the President and his colleagues on the Executive Board, and to bide his time, in the hopes that he might some day be able to move into fill a vacancy in the office of President created by death, resignation or removal of the former officer-holder. Under Article VI, Section 8, whenever the office should become vacant, the First Vice-President (most senior) would automatically fill the post for 10 days during which time the full Executive Board would have to convene and select one of their members to take over the reins (becoming the incumbent) and schedule a special convention at the end of six months to "elect" someone to fill out the remainder of the former President's term. Should the former President still be alive and provided he has not totally fallen from grace, he would most probably play an active role, as did Hoffa for example, in the selection of his successor.

over the men who currently are their masters — not at least without a carefully planned, "dissident" organization capable of orchestrating and coordinating the many necessary reforms and electing talented, diligent and honest leaders. The dissidents would also require every assistance from outsiders capable of aiding them. This assistance needs to come from the labor movement generally, law enforcement officials at all levels of government and from the U.S. Congress.

Due to the composition of the Teamster Convention and its domination by the General President and his incumbent administration, it is doubtful that the Teamster Constitution can be successfully modified in any significant respect by the Union's rank and file to recover democratic authority over their leadership. For the moment at least, the document from which President Fitzsimmons derives his vast power would appear to have become his exclusive property.<sup>110</sup>

<sup>110</sup> There is always the remote possibility that a Teamster General President might, himself, take the initiative to overhaul and reform the Constitution, diminish his own absolutist powers and restore democracy to the rank and file. Since the President's sweeping powers enable him to perpetuate himself in office in spite of the members' sentiments, it is most unlikely that an unpopular President would take such initiatives unless he were retiring. Since Frank Fitzsimmons does not enjoy widespread popularity among the Teamster rank and file, it is most unlikely that he would take it upon himself to initiate democratic reforms at the June 1976 Convention unless he should decide not to run for reelection. Even then, since Mr. Fitzsimmons is not a dynamic leader, nor a man of much vision, he would make a most unlikely champion of reform.



## CHAPTER 6

### The Dynamics of Teamster Locals: Microcosms of the International

#### A. The Elective Process

The structural and political dynamics of the 800 Teamster Locals<sup>111</sup> closely parallel those of the International. Although Local elections are held every third year,<sup>112</sup> they frequently do not provide a realistic opportunity for challengers to unseat the incumbents. An incumbent Local president, like the International General President, has no problem maintaining a high degree of visibility in Union papers and occasionally in the local news media, at Local meetings, and from time to time at his members' place of employment. He generally uses these mediums both to promote his political image in the community and among his members and to belittle, distort or denounce his potential rivals.

A challenger may have great difficulty promoting his candidacy among the Local membership. In larger Locals, the incumbent officials generally hold separate monthly meetings for the members employed in different crafts or industries. At most, the challenger may be known only to those members who are employed by the same company, or in the same industry, *and* who have attended the Local membership meetings. This assumes that he has been allowed by the incumbents to speak out regularly on issues discussed at those meetings. Teamster officials running these meetings often refuse to recognize their critics or rule them out of order.

It is important to remember that rival candidates are employees who are being paid during the course of the campaign to drive a truck or perform some other job, not to engage in public relations — a principal activity of the incumbent union officials. The rival candidates may have

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<sup>111</sup>It is undoubtedly difficult to generalize about 800 different Locals and we caution that our general observations about Teamster Locals in this Chapter cannot be applied universally to all individual Locals. Our focus is admittedly upon some of the more undemocratic features and the abuses of power noted in certain Locals. This is not to say that all Locals are run in an undemocratic manner by leaders who are more intent upon promoting their own interests than those of their members. To the contrary, it is very likely that most Teamster Locals are run by earnest, hard working individuals who attempt to do the best job they can, often in spite of the lack of creative support and assistance from the International. The critical observations here and elsewhere in this Report are offered in a constructive vein so that the serious leaks in what might otherwise be described as a basically sound ship may be repaired before they cause the entire vessel to sink.

<sup>112</sup>The Landrum-Griffin Act requires elections for local union officials to be held "not less often than once every three years by secret ballot among the members in good standing." 29 U.S.C. 481(b)



considerable difficulty getting time off the job in which to run their campaigns. Moreover, their platforms typically call for more aggressive pursuit of the members' interests vis a vis their employers, a position which hardly endears them to their own employers. Short of discharging an employee running for Union office on such a platform, an employer will often collaborate with the incumbents, either openly or tacitly, by denying the challenger his accrued vacation or by assigning him overtime to prevent him from campaigning.

Union reform is a luxury to a workingman. The first necessity in his life is a good job and reliable source of income. Although some Teamster reformers may fear personal violence, all are concerned about the possibility they might lose their jobs. The irony is that those officials which the rank and file most want to throw out of office for their sweetheart dealings with their employers are precisely the ones who are the most difficult to oust since they are in the best position to arrange discharges. Opposition candidates and their supporters are simply afraid to jeopardize their jobs. And, Teamster employers characteristically do play a tremendously important role, albeit indirect, in the Union's internal politics, particularly at the Local level.

While the incumbent officials are technically under a legal obligation to provide their political opponents with representation in grievance proceedings they may initiate to recover their jobs or otherwise resist employer discrimination or reprisals, the officials may just go through the motions while conspiring to subvert their opponents' grievances. Unless the challenger can actually prove dishonesty, bad faith or actual malice on the part of the incumbent official, there is no way he can appeal the adverse grievance through the courts. Indeed, as we have seen in Chapter 4, the grievance machinery preferred by most Teamster officials and widely used by the Union is a joint labor-management committee system which particularly lends itself to the incumbent officials who control it as a device for ratifying management reprisals against their political opponents. This is true because the officials have simultaneously cloaked themselves in the robes of both prosecutor and judge of their members' grievances.

There are additional obstacles the incumbents can raise. In the first place, the incumbent Executive Board is entitled to judge the challenger's credentials to determine whether he is eligible to run for office. Their decisions are subject to review by General President Fitzsimmons who may be biased in favor of his incumbent Local union allies. Establishing one's eligibility may prove to be difficult. Most incumbent Local officials push through rules, permitted by the IBT Constitution (Art. II, Sec. 4), which require candidates to have been members of their particular Local for a minimum of 24 consecutive months and to have attended at least 50% of the monthly membership meetings during that period. Due to the highly transient nature of many Teamster crafts, members are frequently transferring in and out of

different Locals and they have little opportunity to plant roots and develop much knowledge of Local union politics. Moreover, since the Local membership meetings are frequently inconsequential or poorly run, most Teamsters make little effort to attend the meetings on a regular basis. As a result, only a very small fraction of the membership in most Locals are even eligible to run for office.<sup>113</sup>

Local Teamster officials frequently have politically useful, appointive powers not unlike those of the General President. The President or Secretary-Treasurer<sup>114</sup> often have discretion to hire (and fire) all their business agents and to appoint shop stewards who, although regularly employed by industry, may receive special privileges and benefits from the Union. Many officials make an effort to hire the most knowledgeable, experienced and competent people to fill these positions; others gravitate toward "outside muscle", ex-cons with reputations for getting "tough" with troublemakers. Or, the official, himself, may have reported connections with figures in organized crime and this reputation, alone, may be sufficient to dampen enthusiasm among potential challengers and reformers. Fear of physical reprisals still runs very high among a large percent of the Teamster rank and file. The recent Hoffa disappearance has served to heighten these fears.

While on the subject of Local officials' appointive powers, it should be noted that these powers may occasionally be used to circumvent the elective process entirely. Where vacancies arise on the Local Executive Board<sup>115</sup> for whatever reason, the remaining members are empowered to fill them for the duration of the term of office without the need for calling a special election.<sup>116</sup> For example, in New Jersey Local 560, former president Salvatore Provenzano (who is also an International Vice-President) recently appointed brother Anthony (Tony Pro) to fill the post of Secretary-Treasurer vacated by yet another brother Nunzio.

<sup>113</sup>It is not unusual that fewer than 5% of a Local's members will be present on the average at monthly meetings. As a result, an even smaller percent of the membership is generally eligible to hold office under the 2-year, 50%-attendance rule. The burden of proving attendance at meetings is usually placed on the member-candidate. While the Local may have an attendance book available for members to sign when they arrive at meetings, it may not be placed in a convenient spot where those arriving would see it and sign. Moreover, most members are not aware of the 50% attendance rule or of the importance of signing the book. While still others may be aware of the rule, they may not anticipate running for union office a full 24 months before the election and may not bother to start signing the book until much later when they first decide to seek office.

<sup>114</sup>Depending upon the bylaws of the particular Local, one or the other of these two officials is always the principal Local officer. In some very small Locals, he may be the only full-time, salaried official.

<sup>115</sup>Local Executive Boards are comprised of 7 individuals: president, secretary-treasurer, vice-president, recording secretary, and 3 trustees. These officials must all be elected by the rank and file every third year.

<sup>116</sup>See Art. XXII, Sec. 9, IBT Constitution. This provision operates equally with regard to Joint Councils where the principal "elected" official can generally manage to appoint his cronies to his own executive board.



Salvatore then reportedly resigned as president and Tony supposedly appointed Nunzio to fill this post. Tony Pro then reportedly asked Salvatore to fill a vice-presidential slot which had mysteriously opened. This game of "musical chairs" may not be played often, but it does illustrate how Local leaders are able to please themselves in spite of whatever wishes the membership may have expressed during the Local election.

#### B. Manipulation and Self-Dealing by Local Officials

Local Teamster officials have been known to deal themselves various financial rewards, often without apparently violating the Local bylaws. Bylaws are to the Locals what the IBT Constitution is to the International. They are the source of legal authority and political power for Local officials. The Teamster rank and file are not, however, generally aware how tremendously significant their Local bylaws can be and even when they may wish to reform their bylaws, they are at a distinct disadvantage when the incumbent officials are opposed to reform.

To begin with, all bylaws permit the Local officials to retain legal counsel at union expense. Most lawyers consider it their duty to represent the best interests of their clients, the officials, not the Local rank and file. If the officials ask for counsel in preparing amended bylaws which would permit them greater flexibility in spending the members' dues-monies and making other decisions, the lawyer will prepare the desired language and counsel the officials on strategy in securing its adoption by the rank and file.

Many Local Teamster officials actively discourage efforts by their members to scrutinize proposed amendments to the bylaws which would benefit the officials. For example, in one New Jersey Local, the officers refused to provide the members with a written copy of the bylaws, insisting that it was sufficient to read the 50-page document during a membership meeting. Needless to say, even the most brilliant lawyer with a photographic memory would be unable to analyze such a crucial legal instrument under these circumstances. Indeed, the membership really need to have their own experienced and independent lawyer examine their bylaws, and proposed amendments, to explain to them what their effect is likely to be.<sup>117</sup>

<sup>117</sup>The Union should, itself, pick up the legal fees for such advice. Since it is highly unlikely that most Union officials would approve such an expenditure, the rank and file must first amend their bylaws to institutionalize the procedure.

This idea of outside, independent counsel is not new. It is being espoused by many shareholders critical of corporate management's decisions not so much with regard to earning profits, the principal objective of the company, but with regard to the manner in which profits are obtained at the expense of the environment, public safety or health. However, corporate shareholders need this type of representation and counsel far less than union members. After all the Securities Exchange Commission already regulates in large part the representations  
(Con't. on following page)

Another tactic frequently used by Local officials who recognize that the amendments they hope to get approved are likely to be controversial is to orchestrate the meeting at which the vote is to be held. In the first place, the whole subject is played down and any requisite notice of the vote is buried in other printed material. Word is then sent out to all appointed business agents, stewards and others who are indebted to the officials one way or another to be sure to attend the meeting and to shout down and bully anyone seeking to speak out in opposition. In light of the very small turnout at most meetings, adoption of the bylaws can frequently be assured by such tactics.

Assuming Local officials are intent upon self-dealing and are successful in shaping the bylaws to suit their purposes, what can they accomplish? In the first place, they may win the right to set their own salaries and to bestow various other Union benefits and gifts upon themselves and members of their families. Or they may have to be content with the salary approved by the membership knowing that they have discretion to award themselves whatever "allowances" they might wish for clothing, entertainment, transportation, whatever. Luxurious automobiles they have selected and purchased with Union funds are generally available for personal, as well as official Union business.

One of the most serious forms of abuse frequently centers around Local insurance, health, and pension funds, both created and managed by the Union officials. Officials have on occasion created special retirement or severance funds earmarked for their own exclusive benefit. Or they may create funds for the benefit of their members, funded by employers, which they manage, sometimes for a rather steep fee in addition to their union salary.

This subject of misuse of Union funds, lavish salaries and allowances, and unlimited expense accounts we shall now proceed to develop more fully in Part II of this Report where we will focus upon specific individuals known to have engaged in some of the abuses outlined above.

made by management to shareholders with respect to the corporation's principal objective — making money.

A union's principal activity is representing its members in their dealings with their employers. Many unions, particularly including the Teamsters, also create and manage various funds for the benefit of the members and sometimes for the sole benefit of the officials. Many, if not most of these activities are not known to the membership and when known, they are rarely understood. Indeed, Art XXII, Sec. 2 of the IBT Constitution specifically provides that executive board meetings at all levels of the Union shall be closed to everyone, including the membership, except those specifically permitted by the officials to attend. While it may be argued that secrecy must be assured to permit the Union to be effective in its dealings with management, no argument can be made to the effect that the members should not be permitted to understand the scope of their bylaws, which understanding they can only obtain with the aid of legal counsel.

**PART II**

**THE TEAMSTER DOLLAR:  
WHERE IT GOES AND TO WHOM**

## CHAPTER 7

### The Cleveland Connection

The principals in this chapter are IBT Vice-President William Presser who grossed more than \$125,000 in 1974, his son Jackie who pulled in nearly \$177,000 and Presser in-law Harold Friedman who did still better by grossing \$181,000. The chief subordinates include several other Friedmans, the late Babe Triscaro and various other associates who insure the Pressers' continuing domination over Ohio Teamsters, assuming the International General President should not interfere. In fact, we will see that Frank Fitzsimmons has actually given his blessings to the Pressers under circumstances which should have provoked disciplinary proceedings. The various episodes of financial self-dealing traced in this Chapter are illustrative of a pattern of financial abuses which we will see repeated by other "industrious" Teamster officials in subsequent chapters.

William Presser spent six months in jail in the early 1960s for obstructing justice. He also spent another fifty days in prison for contempt of Congress for refusing to answer questions before the U.S. Senate Rackets Committee. In 1971 he pleaded guilty to accepting money from employers who were allegedly coerced into buying advertisements in a Teamster publication, but escaped a prison term because of ill health. In spite of this record Presser has retained control over the Ohio Conference of Teamsters with Fitzsimmons' tacit approval.<sup>118</sup>

Of the 15 International Vice-Presidents, William Presser ranks fifth in seniority. In addition he is one of Fitzsimmons' General Organizers of long-standing. He also presides over the following Teamster organizations: the Ohio Conference of Teamsters, which paid him \$8,900 in salaries and allowances in 1974, the 100,000 member Cleveland Joint Council 41 which paid him \$40,296, and Cleveland Taxicab Drivers Local 555, which supplied him with another \$10,600. Until March of 1975, Presser also served as a Union trustee of the Central States Pension Fund, a position that netted him \$26,800 in allowances and another \$2,000 in expenses in 1974. Due to his conviction for accepting money from employers, he was banned by the new Pension Reform Act (ERISA) from holding the trustee job for a five-year period following his conviction — this prohibition ends in 1976. In an obvious act of nepotism and a subtle slap at the law, Presser

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<sup>118</sup>For a more detailed account of Presser's difficulties with the law over the years, refer to his "profile" in Part IV of this Report.



arranged for his son, Jackie, to take his place as a Trustee for the duration of the probationary period.

In fact, the \$126,000 that William Presser reported receiving in 1974 represents only part of the total Union benefits he receives. For example, Presser will never have to worry about his retirement. Consider the following. Local 555 has set up a special severance fund whereby he will receive a severance benefit equal to one year's salary (about \$10,000) and the option to buy the auto assigned to him for \$1. Pursuant to a resolution passed on New Year's Day 1966, Joint Council 41 established a Severance and Retirement Contract for Presser worth over \$50,000.<sup>119</sup> Presser is also the beneficiary of a Severance and Disability Plan established by the Joint Council back in 1958. As of December 31, 1974, that Plan was reported to be worth \$42,000. Finally, the Ohio Conference of Teamsters established an account in the early 1970s to "accumulate severance pay for certain officers". In its 1973 report, the Union listed the balance in this account to be \$32,474. To date, the Conference has failed to specify which officers are the beneficiaries of this fund.<sup>120</sup> These four accounts will supplement the already generous pension benefits that Presser should be eligible to receive at retirement. In fact, Presser has been accumulating ordinary pension benefits from different Union funds for years. When he retires he may make Jimmy Hoffa's \$1.7 million pension settlement seem small.

Joint Council 41 provides several other key benefits to Presser as well as a strong political base from which to launch his various activities. Pursuant to a motion passed by the Executive Board on June 18, 1973, Joint Council 41 became indebted to Presser for a total of \$30,000 to be

<sup>119</sup>It is odd that the Joint Council Executive Board should have scheduled an official meeting for New Year's Day. The time and place, and identity of those attending, together with all other circumstances surrounding the meeting might prove to be interesting. The Union provided only the sketchiest information about this transaction in its LM-2 report. While the Department of Labor instructions for completing the reports require union officers to "describe in detail the transactions or events resulting in the contingencies and include the identity of the claimant or creditor", the Joint Council reported only the following: "The Wellington Fund investment was established as a funding reserve but is in no way pledged or encumbered for this obligation." In another section of the report, the Union listed an investment in the Wellington Fund of \$56,816. Although the Department of Labor has never required the union to clarify this information, it is clear that Presser did arrange the creation of a special fund for his own retirement.

<sup>120</sup>Indeed, in its 1974 LM-2 report, the Conference did not even specify the value of this special severance account. It has never shown clearly how much money was deposited into, or withdrawn from, this account in any year. Under law, the Conference is obliged either to create a trust for this "accumulated severance pay" and file a D-1 report describing the beneficiaries, or it must provide "the details of the transaction giving rise to" these encumbered funds when filing its LM-2 reports. In either case, the Conference is under a legal duty to provide considerable additional information and the Department of Labor has taken no action to require it to comply with the law. As a result, Ohio Teamsters have no way of knowing how much of their money is being spent on special "severance" funds, or for which officials. Their only recourse under the circumstances where the government will not cooperate is to file suit to force the Conference to open its books. See 29 U.S.C. 431.

paid in annual installments of \$5,000 as partial compensation for the "three years he worked without compensation." PROD checked through all the LM-2 forms on file at the Department of Labor going back to 1959, when they were first required to be filed and failed to find a *single* year in which Presser did not receive compensation from the Joint Council. In 1969, the Joint Council loaned Presser \$30,000 from its Business Agent's Pension Fund. According to the 1970 D-2 Report filed on behalf of that Fund, Presser repaid just over \$4,200 of the loan that year. Thereafter, the Funds's D-2 reports make no reference to the loan which may either have been abruptly paid off by Presser or simply written off as a gift by the Fund.<sup>121</sup>

Yet another benefit Joint Council 41 has bestowed upon its President can be found in the bylaws Fitzsimmons approved just prior to Presser's announcement of his support for Fitzsimmons' candidacy for the office of General President in 1971. Article II, Section 5 of those bylaws merits special attention.

#### Presidential Travel and Maintenance

(a) Consistent with a Resolution passed on September 21, 1970, at a meeting of the delegates of Joint Council 41, and more specifically, the President for the purpose of promoting the general interests and welfare of Joint Council 41, both within the labor sector and in other sectors of our society, *and for the purpose of preserving and refreshing his health and general well being, may, at his discretion, travel in this country or, with the approval of the Joint Council Executive Board, travel abroad and may take periodic rests. The Joint Council Executive Board shall provide for all expenses and allowances of the President when performing the services mentioned in this Section, or when taking periodic rests; the said expenses and allowances shall include travel and full and complete maintenance of his wife so that she can accompany the President and all secretarial help, assistants and/or aides and services which he deems necessary while so engaged. The expenses and allowances provided for herein are in addition to all other compensation and allowances. All of the*

<sup>121</sup>The legality of the loan in the first place is highly doubtful. 29 U.S.C. 503 provides in part: "No labor organization shall make directly or indirectly any loan or loans to any officer or employee of such organization which results in a total indebtedness on the part of such officer or employee to the labor organization in excess of \$2,000."

A labor organization should not be able to circumvent the intent of this provision by creating a trust fund and making loans to officers from it instead.

In the event this loan to Presser was written off or treated as a gift, the trustees of the Business Agent's Fund most assuredly violated their common law fiduciary duty as trustees. They may also have violated 29 U.S.C. 501 which is a criminal statute. Presser may have induced the action, and thereby conspired to violate the law.

A list of all loans to Union officials from this particular fund appears in Appendix "A" at the end of this Report.

*provisions of this Section shall be applicable to any other officers and employees so named by the President with the approval of the Executive Board. Expenses shall include, but not be limited to travel, both by plane, auto, or rental car, to and from any of the fifty states, including Florida, apartment or hotel-motel living accommodations, utilities, telephone, gas and car expenses, entertainment and miscellaneous expenses, and such expenses as are incurred when travel is approved outside of this country.*

(emphasis added)

This lavish provision is so broadly worded that it is possible the Joint Council may even be making the payments on Presser's Florida condominium, picking up his bar bill — indeed, meeting every expense he might incur in sustaining a luxurious life style thousands of miles from the Joint Council and the Ohio rank and file who must ultimately pick up the bill.

Just as the International Union's General Executive Board is supposed to serve as a check on the General President, so too are the members of the Joint Council 41 Executive Board supposed to prevent financial mismanagement and other abuses by its president, William Presser. However, just as the IBT Constitution gives Fitzsimmons the ability to dictate to the General Executive Board, the Joint Council 41 bylaws give Presser a similar kind of leverage to insure that his Executive Board will function as a rubber stamp also. In the first place, Presser has the authority to set the salaries of all Joint Council officers and employees, including himself.<sup>122</sup> Creative use of the travel provision we have just examined permits Presser to earn even more gratitude from his colleagues on the Board. Remember, that provision permits Presser to invite an unspecified number of aides to accompany him on his travels, and so long as they are in his company, all other expenses they might incur are also covered. Indeed, Presser may name any individual he may wish to share the benefits of this unlimited expense account, provided that individual is approved by the Executive Board.

The fact that Presser is obviously in favor with IBT General President Fitzsimmons also gives him a political advantage which assists him to reign over Ohio Teamsters. Fitzsimmons has chosen to ignore Presser's many financial manipulations. He has rewarded both William and his son Jackie with the lucrative and prestigious status of General Organizer, and he arranged to have Jackie appointed as his father's replacement on the board of trustees of the giant Central States Pension Fund. Fitzsimmons also appointed Presser as the International

<sup>122</sup>This may explain why Presser's Joint Council salary is high even by Teamster standards. For example, Joe Trerotola received \$25,000 in 1974 for serving as president of New York Joint Council 16 which has twice as many members as Joint Council 41 which paid Presser \$40,296.

trustee to supervise the affairs of Local 436 when Presser's associate, the long-time president of that Local, Babe Triscaro, died in 1974. In fact, before examining the affairs of the other two principals in the "Cleveland Connection", let us take a brief look at Triscaro and some of the other members of William Presser's supporting cast.

Presser and Nunzio Louis "Babe" Triscaro had a long and profitable relationship. Prior to his death in 1974, Triscaro was Vice-President of Joint Council 41 as well as of the Ohio Conference, both of which are of course headed by Presser. In addition, Triscaro served as president of his own Cleveland Local 436. Many knowledgeable sources have reported that Triscaro served as Presser's liaison to various key figures in organized crime. Triscaro represented many of Cleveland's dump-truck drivers who also reportedly served from time to time as Presser's "muscle".

Like most well situated and loyal Teamster officials, Triscaro managed to receive "just" financial recognition. His three Union posts brought in nearly \$1,200 weekly. The Joint Council made him the beneficiary of a severance contract which enriched his estate by \$12,619. The Joint Council's Business Agent Pension Plan gave Triscaro a \$20,000 loan and apparently said nothing when he neglected to make any payments during 1969.<sup>123</sup>

However, while Presser saw to it that Triscaro received something from the Joint Council, Triscaro really managed to do well for himself at the expense of his Local 436. Like Presser, Triscaro persuaded his Local to create a special severance fund in 1968 which was worth \$40,000 at the time of his death. Triscaro along with the other six officers of his Local had personal use of late-model, Union-purchased Cadillacs. The luxurious automobile was not the only form of transportation the Local provided him. Although Local 436 was neither large nor wealthy, Triscaro enjoyed a travel provision he managed to have incorporated in his bylaws which was virtually identical to Presser's Joint Council 41 unlimited expense account and permitted him to travel whenever and wherever he pleased and to bring along whomever he wished.

One of the individuals who frequently benefitted from this travel account was Sam Busacca, the Local's Vice-President who also happened to be Triscaro's son-in-law. However, it seems that the extravagance proved to be too much for the Local treasury. Shortly after Triscaro's death, the Local Executive Board petitioned Fitzsimmons to place the Local into receivership inasmuch as it was on the verge of bankruptcy. When Fitzsimmons appointed Presser as the International trustee for the Local, Presser in turn immediately assigned Busacca to act as the Local's "administrator." Rather than

<sup>123</sup>For a complete list of the loans to Union officials made out of this particular pension fund, and a schedule of payments on these loans, see Appendix "A".



insuring the fiscal integrity of the Local, this series of "assignments" in fact operated only to insure that Busacca would not lose the family business — Local 436.<sup>124</sup> In fact, this was not the first favor Presser had done for Busacca. In 1972, Busacca was the recipient of a \$25,000 loan from the Joint Council 41 Business Agents' Pension Plan.<sup>125</sup>

Other important figures in Presser's Joint Council include John Felice and his son, John "Skip" Felice, Jr., a father-son team who run two small Cleveland Locals which collectively give them \$120,000 annually for their services.<sup>126A</sup> Skip Felice is a trustee of the Joint Council 41 Business Agents Pension Fund which we have seen making numerous loans to well placed Cleveland Teamster officials, including one to his father for \$15,000. John Felice, Sr. made one payment of \$1,000 on that loan in 1969.<sup>126B</sup> Thereafter, the Business Agents Pension Fund ceased to make reference in its annual D-2 reports to the loan, just as it did the following year cease to make reference to William Presser's \$25,800 loan. As in Presser's case, either Felice abruptly paid off the \$14,000 balance on the loan in 1970 or the Pension Fund trustees must have written off that sum as a gift. In addition, Skip Felice has also worked with Presser as the Recording Secretary of Joint Council 41, a committeeman on the *Ohio Teamster*, a Presser publication, and as Treasurer of Ohio DRIVE which is the Union's political arm.

Other important members of Presser's supporting cast include Jack Nardi who was indicted in late 1975 on federal charges of labor racketeering and marijuana smuggling.<sup>127A</sup> Lou Edwards, head of Local 637 in Zanesville, has stepped into Triscaro's position as Vice-President of the Ohio Conference of Teamsters.<sup>127B</sup> Charles Cimino, Sr. serves as

<sup>124</sup>This Local is only one of several in the Cleveland area which have been dominated by a single family. John Felice Jr. followed in his father's footsteps in Locals 73 and 293, and in Joint Council 41. Charles Cimino Jr. serves as Local 400's president; his father is the secretary-treasurer. Harold Friedman took over from his father Harvey as the head of Baker's Local 19, AFL-CIO, a union which, we shall see presently, is completely woven together with the Teamsters. Jackie Presser is, of course, being groomed by his father to take over the Presser Ohio Teamster fiefdom. For other examples of Teamster nepotism in general, see Appendix "B" at the end of this Report.

<sup>125</sup>Once again, this loan would appear to violate 29 U.S.C. 503. See footnote No. 121, above.

<sup>126A</sup> Local 73 is comprised of fewer than 1,000 industrial employees; Local 293 represents fewer than 2,000 beer drivers.

<sup>126B</sup> For a complete list of loans, see Appendix "A".

<sup>127A</sup>In 1974, Nardi's Union salary totalled \$67,639. As Secretary-Treasurer of Local 410, he was paid \$35,039. Simultaneously, he reportedly worked full-time as a business agent for Local 507, the Local headed by Jackie Presser. For these services, Nardi received \$15,600. Finally, Nardi collected \$17,000 as an "employee" of William Presser's Joint Council 41.

<sup>127B</sup> Edwards recently executed a substandard, "sweetheart" contract with Howell Transportation which sets the hourly rate at \$3.90 as compared with the \$7.00 the employees would be earning under the Master Freight Agreement to which virtually every other trucking company must subscribe. Edward's contract also permits Howell to contribute only \$12.00 toward its employees' health and pension insurance which under the Master Agreement would total \$43.50 a week per employee. Pursuant to Art. XVI, Sec. 4 of the IBT Constitution, this substandard agreement must have been approved by the Ohio Conference. As its Vice-President, Edwards no doubt had little difficulty securing its approval.

the Secretary-Treasurer of Joint Council 41<sup>128</sup> while Robert Cassidy holds the same position on the Ohio Conference.<sup>129</sup> Finally, one other personality warrants special mention. Convicted for white slavery in the 1940s, Joseph Blumetti later became one of Presser's closest associates, serving as a Local 410 business agent and an "employee" of Joint Council 41. However, he ran into difficulty once again when he was indicted in 1970 for embezzlement and filing false Union reports with the Department of Labor. His conviction in 1973 on the latter count operated to bar him from holding Union office for a period of five years. Thus, while Blumetti was forced out of his job as a Local 410 business agent, Presser promptly arranged for him to be appointed as a "collections manager" for the Central States Pension Fund — a position with even greater fiduciary duties but from which he was not technically barred by law. This position has permitted Blumetti to improve his financial situation. In 1974, the Fund paid him \$33,544 in salary and expenses.

Now let us move on to the other principals in the "Cleveland Connection" — the Friedmans and William Presser's son, Jackie. The Friedmans are Presser in-laws by virtue of William's marriage to Faye Friedman. While Presser was moving up in the Teamster world, Harvey Friedman was establishing himself as the boss of Local 19 of the Baker's Union, an AFL-CIO affiliate. Whatever distinction there may have once been between the Cleveland Teamsters and Bakers thereafter melted as the Presser and Friedman families merged. Just as Harvey Friedman made a place in the Bakers Union for young Jackie Presser, so too did William Presser assist Harvey's son, Harold, to get a foothold in the Teamsters Union. In 1966, he assisted Jackie and Harold to obtain a charter to create their own Teamster Local (#507). Today, Local 19 of the Bakers Union and Teamster Local 507 not only share quarters in the same building, the two Locals even share three officers, Harold Friedman, Jackie Presser and John Rusnak. Economically, all three do extremely well for themselves as a result of their multiple union "holdings".<sup>130</sup> In fact, some of the manipulation of finances of these two Locals provide interesting reading. Let us look first at Baker's Local 19.

<sup>128</sup>In 1974, Cimino was paid \$15,500 by the Joint Council in addition to his \$31,955 salary as Secretary-Treasurer of Local 400.

<sup>129</sup>In 1974, Cassidy was paid just under \$20,000 by the Ohio Conference in addition to his \$28,809 salary as head of Canton Local 92.

<sup>130</sup>During 1974, Harold Friedman earned \$181,985; Baker's Local 19 paid him \$100,051 and Teamsters Local 507 paid him \$81,934 for serving as its president.

As secretary-treasurer of Local 507 Jackie Presser received \$84,616 of his 1974 total of \$176,571. The remainder of his salary is accounted for as follows: \$12,705 from Baker's Local 19 (financial secretary); \$19,675 from Bartender's Local 10, AFL-CIO (president); \$16,590 from the Bartenders International, AFL-CIO (Organizer); \$6,270 from Joint Council 41 (vice-president); \$800 from the Ohio Conference (recording secretary); and \$35,815 from the International (General Organizer).

Harvey Friedman and his son Harold had served together as the two principal officers of Local 19 for two decades when Harvey died in 1974. Like his close friend and in-law William Presser, Harvey made certain that in the event he should die or retire from his Baker's Local, it would pay him a handsome sum of money. Although the Friedmans did not get around to creating a Baker's severance fund (for unnamed officers) until 1969, that fund was worth \$207,000 by 1973 and it paid Harvey Friedman's estate \$141,730 when he died in January of the following year. Upon his father's death, Harold moved from Local 19 vice-president where he had earned \$50,000 in 1972<sup>131</sup> to president where he fully doubled his salary in 1974. In addition to the salary the Bakers gave Harold Friedman in 1974, they also reported a future liability that year of \$103,153 for "severance pay due officers."<sup>132</sup>

Nineteen hundred and sixty-nine was a busy year for Cleveland severance funds. Not only did the Friedmans create such a fund in the Baker's Local, so too did Harold Friedman and Jackie Presser create such a fund for certain (once again, unnamed) officers of Teamster Local 507, the young Local they had only created a few years before.<sup>133</sup> In fact, while the Local 507 Executive Board did not actually vote to create the fund until April 12, 1969, they indebted the Local to the unnamed beneficiaries retroactive to January 1st of the preceding year. By the end of 1971, the Local's liability to the beneficiaries of this severance fund had grown to more than \$100,000. The following year, the Executive Board decided not to wait for their severance and voted to disburse the fund at once. In 1972, the salaries of three members of the Executive Board leaped, only to settle back to previous levels the

Rusnak's 1974 salary totalled \$64,649: \$14,501 from Baker's Local 19 (treasurer); \$24,000 from Local 507's Health and Welfare Fund (Administrator); and \$26,148 from Local 507 (trustee). This last sum of money is exceptionally high, assuming this was his only task as reported by the Local, inasmuch as trustees are generally paid very modest sums since they need only review the Local's books once a year or so. Rusnak's two Local 507 jobs involve exceptionally high fiduciary duties to the Union's members since he is in a position to handle or monitor the handling of large sums of money.

<sup>131</sup>Harold Friedman's "modest" Baker's salary in 1972 was augmented by the \$124,000 he received that year as president of Teamster Local 507.

<sup>132</sup>In considering whether these huge sums of money are justified, one must take into account that Local 19 is not a particularly large local union and takes in only a half million dollars annually, only as a result of dues increases between 1970 and 1975 which have increased the members' monthly liability from \$9 to \$16.

<sup>133</sup>The Teamster and Baker severance funds were created within a week of one another.

following year.<sup>134</sup> Thus, we assume that the severance fund was distributed in the form of salaries. The three individuals who received these salary "adjustments" were Jackie Presser, Harold Friedman and a second Friedman, Allen, who serves as the Local 507 Vice-President.<sup>135</sup>

Finally, some mystery surrounds the Baker's Local 19 and Teamster's Local 507 pension funds and another Baker fund known as the "Charitable, Educational and Recreational Fund" which lists its purpose as providing "members with benefits as indicated by the name of the fund." Unlike every other pension plan examined by PROD, the Local 19 and 507 funds have traditionally listed on their annual D-2 reports a special "Retirement Benefits" liability which is entirely independent of their normal pension liability to member-beneficiaries. Those accountants PROD consulted about these unusual entries speculated that the two Cleveland pension funds may have created special retirement funds for their own trustees and/or employees. Harold Friedman and Jackie Presser are trustees of both pension funds. As of 1974, the Bakers pension fund reported \$613,013, and the Teamster fund listed \$219,931 as falling into this special category.

The Bakers Recreational Fund seems to have served in recent years as a conduit and repository of both Baker and Teamster monies.

<sup>134</sup>Local 507 disbursements to its three principal officers for the years 1971-1974 are listed below.

Name & Office	Year	Salary	Expenses	Total
Jackie Presser Secretary-Treasurer	1971	\$ 57,200	\$7,954	\$ 65,154
	1972	123,981	1,685	125,666
	1973	70,200	7,717	77,917
	1974	82,300	2,316	84,616
Harold Friedman President	1971	57,200	6,476	63,676
	1972	122,881	1,930	124,811
	1973	68,900	7,857	76,757
	1974	82,300	2,316	84,616
Allen Friedman Vice-President	1971	31,200	1,361	32,561
	1972	58,741	1,211	59,952
	1973	36,400	1,224	37,624
	1974	36,400	—	36,400

<sup>135</sup>In addition to serving as Vice-President of the Teamster Local, Allen Friedman has created his own union which may well be competing with Local 507, raising a serious conflict of interest. This new union is called the Warehouse, Industrial and Service Employees Local 752. Apparently it is not affiliated with any other union or with the AFL-CIO. The union claims jurisdiction over all "warehouse, industrial and service workers in Northeast Ohio." Judging from the full title of Teamsters Local 507 (The Warehouse, Manufacturing, Processing, Assembling and Installer Employees Local Union 507), the jurisdiction of the two unions would appear to overlap. If any conflict does exist, Friedman would certainly be vulnerable to discipline and expulsion from the Teamsters Union under Article XIX of the IBT Constitution. However, his trial would be conducted by the Local 507 Executive Board, including Jackie Presser and Harold Friedman, and any appeal would have to be taken to the Joint Council 41 Executive Board dominated by Jackie's father, William.



PROD's inquiries to the Union produced no information about the purpose or workings of the Fund. According to Local 507 reports, the Teamsters gave interest free loans to the Baker's Recreational Fund (\$40,000 in 1973 and \$100,000 in 1974) for the reported purpose of providing "additional working capital for an affiliated fund". The Baker's Local, itself, also loaned \$90,000 to the Recreational Fund in 1974. Although both Teamster loans have reportedly been paid off, not only was the Baker's loan not paid off in 1974, no arrangements were noted for repayment. Why this anonymous union fund should require \$190,000 in "working capital" in 1974, who handles, controls and audits this fund, all remain a mystery. Without considerable additional information, explanation and justification, however, as Secretary-Treasurer of Teamster Local 507, it would appear that Jackie Presser's interest free loans of Teamster monies to the Baker's Recreational Fund were violative of his fiduciary duty "to hold [the Local's] money and property solely for the benefit of the organization and its members."<sup>136</sup>

The "Cleveland Connection" on its surface makes out a strong case against the Pressers, Friedmans, *et al*, for engaging in a lengthy string of financial improprieties which have benefitted themselves, not Ohio Teamster members. The arrogance implicit in these dealings is stunning. Apart from whether many of these deals may have run afoul of various state and federal criminal statutes, it would appear that a substantial percent are violative of the Landrum-Griffin Act which was designed as the union-members' tool for enforcing high fiduciary principles upon their elected, union officials. However, before Ohio Teamsters can be expected to use this law, they must first know what their officials are doing, and most have been kept ignorant of the details of their leaders' many wheelings and dealings. By keeping Union offices "in the family", and by conducting all executive board meetings in total secrecy,<sup>137</sup> the Cleveland "gang" have been able to vote themselves enormous benefits which the Ohio rank and file have had to pick up unknowingly.

Once the shady dealings do become known, there are still many obstacles to a successful "shape-up" or "clean-up" drive by the Union membership, not least of which is fear. Moreover, corruption runs deep and the task may be physically, legally and financially overwhelming for the members. Teamster involvement in Ohio politics over the years must inevitably have won influential support for the Pressers, Friedmans, and others in high quarters. What is certain, however, is that

what may not have been widely known by Ohio Teamsters, has long been generally known by Frank Fitzsimmons. And, while Ohio Teamster Union reform might take law enforcement officials and the rank and file years to accomplish, Fitzsimmons could wield his vast powers to investigate, audit and discipline those Union leaders who have been responsible for political abuse and financial mismanagement in short order. In fact, he has not, and has shown no inclination to do so. To the contrary, he has gone out of his way to confer recognition and rewards upon those responsible. The Cleveland Connection illustrates a very fundamental malady in the Teamsters Union.

<sup>136</sup>See Landrum-Griffin Act, 29 U.S.C. 501

<sup>137</sup>Art. XXII, Sec. 2 of the IBT Constitution, as amended in 1971 permits all Teamster organizations to conduct their Executive Board meetings in secrecy. The only accounting to members that officials must do is to provide the sketchy financial data required by law, as enforced, or more often not enforced, by the U.S. Department of Labor. Even with this information, it is often difficult if not impossible even for professionals to reconstruct what those officials have done. The Teamster rank and file certainly stand at no better advantage.

## CHAPTER 8

### Top Teamster Officials: A Study of Multiple Offices and Multiple Salaries

The International General President's salary is set by the Union Convention. In light of the tremendous powers the President has to influence Convention delegates, it is no surprise that Teamster General President Frank Fitzsimmons draws an annual salary of \$125,000, plus allowances and expenses<sup>138</sup> — far and away more than other unions pay their top officials.<sup>139</sup>

In addition to the large cash disbursements Fitzsimmons receives annually, the Teamsters provide him with a host of other benefits whose value is difficult to calculate. For example, Fitzsimmons and other Teamster officials and employees enjoy "haute cuisine" prepared for them by the two French chefs employed at the IBT headquarters in Washington, D.C., known to most members as the Union's Marble Palace.<sup>140</sup> The Union furnishes Fitzsimmons with a home in a nice residential suburb of Washington, D.C. for which it paid \$98,051 in 1971.<sup>141</sup> To aid him in commuting to and from the Teamster

<sup>138</sup>In addition to providing for his salary and allowances, the IBT Constitution appears to give the General President an open ended expense account, namely: "All expenses of the General President and General Secretary-Treasurer shall be paid by the International Union," Art. V, Sec. 1(a). This provision would appear to authorize the General President to charge his groceries on a Union credit card. We have no knowledge that he does so and wish only to stress that the presidential expense provision could be so abused.

<sup>139</sup>The presidents of the next three largest unions received the following amounts during 1974: I.W. Abel (United Steel Workers), \$75,621; Leonard Woodcock (United Auto Workers), \$62,939; Floyd Smith (Machinists), \$46,205. These sums compare to the total cash disbursements the IBT reported giving to Fitzsimmons that year — \$133,309. Union records show that a number of other Teamster officials actually managed to earn more than Fitzsimmons in 1974. These included Murray Miller, Donald Peters, Bernard Adelstein, William Joyce, Jackie Presser and Harold Friedman. Such salary levels have been described as "country club unionism" by Ed Sadiowski, United Steelworker District President who has been a frequent critic of I.W. Abel.

<sup>140</sup>In 1974, the principal chef was paid \$27,000, and his assistant was paid \$12,000. By comparison, the Union's salary expenditures during the same year for its Safety Department were \$30,000 for the director and \$11,000 for his lone assistant.

<sup>141</sup>Fitzsimmons is obliged to pay income tax on the rental value of the property. In 1975, the IBT claimed that the rental value was \$9,375. In fact, real estate experts agree that a conservative estimate of the annual rental value of residential property is 8% of its fair market value. Real estate values in the Washington, D.C. area have been appreciating at an annual rate of 15% during recent years. Thus, the value of Fitzsimmons' home in 1975 would have been approximately \$160,000, and the rental value on which Fitzsimmons should have paid taxes was \$12,200, or roughly \$3,000 more than Fitzsimmons presumably declared. In fact, the IBT, itself, estimated the value of the house, alone, for insurance purposes to have been worth \$128,000. Fitzsimmons may accordingly be liable for understating his income and may owe back taxes.

In addition to the purchase price of the home, the Union's 1971 LM-2 report shows on the very next line an expenditure of \$143,919 for "furniture and fixtures". It is unclear whether this form of benefit, namely providing Fitzsimmons with a rent-free, possibly furnished house, is lawful under the Union Constitution. Art. V, Sec 2(g) permits the Union only to "provide

(Con't. on following page)



headquarters, the Union makes available a new Lincoln or Cadillac each year. When travelling out of town, Fitzsimmons has use of the Union's fleet of airplanes.<sup>142</sup> In fact, the Union even picks up the tab whenever Fitzsimmons wants to take a vacation in this country or abroad, not only for him, but for his wife, secretaries, and any others who can provide "services which he deems necessary while so engaged." The International's "Travel Provision" is very similar to the unlimited expense accounts finagled by William Presser and Babe Triscaro.<sup>143</sup>

The International Teamsters Union does almost as well by its General Secretary-Treasurer. His salary is set at \$100,000 and he, too, enjoys the use of luxurious automobiles and aircraft owned by the Union as well as being able to qualify under the same travel provision as the General President for all-expense-paid vacations wherever and whenever he pleases. In his first couple of years in the office, Murray W. "Dusty" Miller managed to supplement these handsome rewards as a result of a series of highly questionable financial transactions, a subject to which we will return at the end of this chapter. First, let us proceed to discuss our principal subject — accumulating large Union salaries as a result of multiple office holding by other high Teamster officials.

Fitzsimmons and Miller are not the only two Teamster officials who manage to collect kingly ransoms from Union treasuries. During 1974, at least 17 Teamster officials topped the \$100,000 mark, and that number would have been greater had not at least 5 other officials slid temporarily below it.<sup>144</sup> In fact, if we were to focus upon a more

accommodations to house officers and employees while on official union business, and require the use thereof." Such provisions generally authorize only out-of-town expenses.

<sup>142</sup>See Chapter 9 for a discussion of the multi-million dollar "Teamster Air Force".

<sup>143</sup>The full text of this Travel Provision which appears in Art. V, Sec. 2 of the IBT Constitution follows:

The General President, for the purpose of promoting the interests and welfare of the International Union and the making of diplomatic contacts with other organizations and institutions, and for the purpose of conserving his health, may at his discretion travel in this country or, with the approval of the General Executive Board, abroad, and may take periodic rests. The General Executive Board shall provide for all expenses and allowances of the General President when performing the services mentioned herein or when taking periodic rests; the said expenses and allowances shall include travel in this country and abroad, the full and complete maintenance of his wife so that she can accompany the General President, and all secretarial help and services which he deems necessary while so engaged. The expenses and allowances provided for herein are in addition to all other constitutional compensation and allowances.

All the provisions of this Section shall be applicable to the General Secretary-Treasurer. (Emphasis Added.)

<sup>144</sup>Marked fluctuations of income are by no means rare among Teamster officials. For example, look to the individual financial portraits in Part IV of Roy Williams, Salvatore Provenzano, Rudy Tham, Jesse Carr, Lester Connell and R.C. Cook. While multiple salaries from different Union entities generally account for the high salaries, several Teamster officials have managed to collect more than \$100,000 from their Locals alone. For example, in 1974, Chicago Local 710 paid William Joyce (Sec.-Tres.) \$134,579 and John Kelahan (Pres.) \$112,533; Chicago Local 781 paid Joseph Bernstein (Pres.) \$107,731; and, as we have seen, Cleveland Local 507 paid both Jackie Presser and Harold Friedman each more than \$125,000 in 1972.

reasonable salary level, say \$40,000 for example, we find that a total of at least 147 Teamster officials topped that figure in 1974.<sup>145</sup> There are two basic reasons why Teamster salaries are so high. First, the rank and file have no control above the Local level. Secondly, the IBT Constitution, written and modified by Local union officials, specifically provides for those officials to hold multiple offices, and receive multiple salaries, in the Union's extensive organizational hierarchy above the Local level.

A strong case can certainly be made for allowing certain union officials to serve on committees or district councils that may meet from time to time to develop union policies or negotiate contracts. However, most other major unions like the Auto Workers, Steelworkers and Mine Workers shun the notion that these officials should be paid an entirely separate salary for performing such functions. Obviously, there are limits to what a human being can accomplish in a workday or week and Teamster officials are no exception. In fact, some Teamster officials really make no pretense about working full-time on just one job, yet they continue to hold other positions for which they are paid full salaries.<sup>146</sup> Others manage to hold multiple offices which are all designed for the purpose of accomplishing the one job they actually perform.<sup>147</sup> However, the more usual situation is that high Union officials will also hold down a Local Union office plus some position (elected or appointed) on either or both a Joint Council and Conference (or Trade Division). Finally, in their capacity as the principal official of any one or more of these various organizational

<sup>145</sup>In addition to the 17 officials making more than \$100,000, PROD found that 13 made more than \$75,000 and less than \$100,000, another 45 received incomes between \$50,000 and \$75,000, and at least 72 earned between \$40,000 and \$50,000. Since PROD did not examine the LM-2 reports for every single Teamster organization or the D-2 reports for every Teamster fund, the total number of Teamster officials in each category may well be significantly understated. Moreover, since Canada does not require Teamster officials in that country to file such financial reports, we have no way of knowing what those officials earn. For a list of individuals and their salary levels, see Part IV.

<sup>146</sup>For example, International Vice-President Weldon Mathis lives and works full-time in Washington, D.C., as Fitzsimmons' Executive Assistant. Nonetheless, Mathis received \$20,000 from Atlanta Local 728 during 1974 for supposedly running that Local as its President. Mathis is also supposedly a full-time, salaried International General Organizer despite the fact he only leaves his desk to attend meetings with other officials.

Similarly, during 1972 Frank Murtha was the Administrator of the Union's giant Central States Pension Fund located in Chicago, a full-time job if ever there was one. Nonetheless, he too collected a full salary from the International for "organizing". He received \$66,000 from the Fund, and \$35,000 from the Union.

<sup>147</sup>A classic example of this form of duplicative payments is Joe Morgan who serves as both the International Director of the Southern Conference and as Chairman of the Conference's Policy Committee. In 1974, Morgan received \$66,563 from the International and \$54,939 from the Conference.

Another example is Sam Ancona who was paid salaries by various Teamster organizations all for the same basic job, organizing under IBT Vice-President Roy Williams. His 1974 gross salary came to \$75,872, \$39,677 from the International, \$35,195 from Williams' Joint Council 56, and \$1,000 from the Missouri-Kansas Conference which Williams also heads. One point to bear in mind is that no Teamster member has ever elected Ancona to these positions.



entities, some Teamster leaders, like the Pressers, also appoint themselves as salaried trustees or administrators of various Teamster funds, or create deferred compensation or severance plans and make themselves the beneficiaries. The subject of special trust funds is understandably complex and will be dealt with in Chapter 10. So, let us focus further on multiple salaries for Union, as opposed to "fund", offices.

Eleven of the fifteen International Vice-Presidents also hold office in both a Local and Joint Council and enjoy the benefits accompanying each office. General Executive Board meetings and International Union matters alone have come to require a substantial percent of their time and attention. How these men can also devote sufficient time to running their Locals and Joint Councils to justify collecting full salaries from those organizations is difficult to imagine. As we shall see when studying the financial profiles of the Vice-Presidents in Part IV, some do make half-hearted attempts to apportion their salaries to reflect the time they spend at their many different jobs. However, most do not.

Kansas City Teamster boss Roy Williams is a case in point. His International duties include serving as a Vice-President, Director of the Central Conference, head of the Freight (trucking) Division, General Organizer and Trustee of the Central States Pension Fund. In addition, Williams also heads Local 41, Joint Council 56, the Missouri-Kansas Conference, the Missouri-Kansas Drivers' Council and the Central States Drivers' Council. Despite the fact Williams, himself, cannot obviously fill all of these positions, they enabled him to gross \$111,155 in 1973.<sup>148</sup> Another case in point is Robert Holmes, the Vice-President from the state of Michigan who presumably has some responsibilities to the International for troubleshooting and coordinating Teamster activities in that state to justify the \$40,000 plus which he was paid as a General Organizer in 1974. At the same time, Holmes headed up the 15,000-member Local 337 which paid him nearly \$1,000 each week in

<sup>148</sup>Williams was appointed Director of the Central States Conference in January of 1976 and the salary which goes with that job will augment his annual earnings still further. Williams 1973 salary total was made up in the following manner. The IBT paid him \$40,195, Local 41 paid him \$35,900, Joint Council 56 gave him \$17,249, and the Central Conference gave him \$17,631, reportedly for "expenses". This latter sum of money is peculiar in light of the fact no other officer of the Conference received more than \$700 in expenses and the disbursement to Williams was not shown in the Conference's original LM-2, but rather in a subsequent amendment to that report.

Williams gross salary in 1974 dropped to \$91,000 because the Conference paid him only \$1,479 that year and his Local salary was cut back to \$5,200. These two pay cuts were, however, largely offset by a \$26,000 raise he received that year from his Joint Council. Interestingly, this raise from the Joint Council came during the same year his Local loaned the Joint Council \$45,000 and the Central Conference gave the Joint Council a \$54,000 organizing grant. The Local indicated no arrangements for repayment of the loan on its LM-2 form.

Williams has been linked to organized crime in various newspaper accounts. For example, in a series of articles on the Central States Pension Fund which appeared in the *Oakland Tribune* in 1969, Williams was said to have met with known mobsters and to have helped them in his capacity as a Fund Trustee, to secure loans for which he allegedly received a kickback. According to the newspaper accounts Williams' highly paid protege, Sam Ancona, arranged the meetings and functioned as Williams' link with the mafia. *Oakland Tribune*, September 26, 1969.

salary and allowances. Holmes also received several thousand dollars more for heading up Michigan Joint Council 43 and for serving as a Union trustee of the Central States Pension Fund.

One of the biggest financial boondoggles in the Union is the office of International General Organizer. Nowhere are the duties of General Organizers laid out. Judging from those who have held this largely "honorary appointment" from Fitzsimmons in recent years, General Organizers in fact do little or nothing to justify their \$30,000 salaries which are further increased by whatever allowances and expenses Fitzsimmons may choose to allow.<sup>149</sup> Of the 52 individuals who held that post in 1974, only a dozen or so were in a position to devote substantial time to the position without shirking other important and demanding Union responsibilities. For example, 29 General Organizers held a Local elective office, and 21 of these individuals held at least one additional office in the Teamster organizational hierarchy. Other General Organizers held various appointed Union jobs which consumed their full time.<sup>150</sup>

In fact, the IBT's expenditures for organizing might raise quite a few eyebrows for several reasons in addition to the fact a substantial part of its annual allowance has gone to pay the salaries, allowances and expenses of high-ranking officials who did absolutely no organizing. In the first place, an alarming number of the men who hold the "rank" of General Organizer are hardly up-and-up trade-unionists inasmuch as they have previously been involved in various criminal activities, including the taking of illegal payoffs from their members' employers.<sup>151</sup>

<sup>149</sup>Art. V, Sec. 1(d), IBT Const. sets a \$30,000 ceiling only for "salary". This limit was apparently disregarded by Fitzsimmons in 1975. See footnote No. 56 in Part I, above.

<sup>150</sup>Sam Ancona is one such individual. See footnote No. 147, above. Another is Vincent Trerotola, IBT Vice-President Joe Trerotola's son. In 1974, Vince worked for his father in several capacities (administrative assistant to the Eastern Conference, assistant office manager to Joint Council 16, and employee of the Joint Council's pension fund) and grossed \$31,364 in addition to the \$26,359 he received from the International for "organizing". W. Fleming Campbell, another General Organizer (\$39,120 in 1974), likewise worked for the Eastern Conference as an administrative assistant (\$12,811).

<sup>151</sup>For example, T.R. Cozza (Pittsburgh), William Presser (Cleveland), Rolland McMasters (Detroit), Don Gillette (Miami), and Jack Jorgensen (Minneapolis) have all been convicted of taking illegal payoffs yet all continue to serve as Fitzsimmons' General Organizers. Special Organized Crime Strike Forces of the U.S. Department of Justice have secured indictments against General Organizer Elvin Hughes (Southern Illinois), Rudy Tham (San Francisco), and F. J. Roberto (New Haven). Hughes was accused of arranging kickbacks from the Illinois Conference Welfare Fund. Tham faced charges of extortion and interstate transportation to promote bribery. Roberto and several of his colleagues on Joint Council 64 were accused of embezzlement.

Other General Organizers have also had run-ins with the law. Rocco dePerno figured prominently in the case which led to Tony Provenzano's recent indictment. DePerno allegedly demanded a kick-back on the loan he started to arrange for Tony Pro from the New York State Conference Pension Fund. IBT Vice-President and General Organizer Roy Williams was indicted in February of 1974 for filing false information in the Union's financial reports. Should he be convicted, he will be barred from holding any Union office. See 29 U.S.C. 504(a). In spite of this, Fitzsimmons recently appointed Williams as International Director of the Central Conference in addition to General Organizer.



Moreover, a large percent of the huge sums of money the International has spent recently on "organizing" are largely unaccounted for. From 1971, the year of the last Teamster Convention, the amount of money expended from the International treasury increased from \$2.9 million to \$8.6 million in 1974.<sup>152</sup> Owing to the fact the Union did not break down how or where it spent all this money, the rank and file have absolutely no way of knowing whether it was spent on legitimate organizing or whether it was wasted or illegally converted to the private use of certain individuals.<sup>153</sup>

Now let us return to examine the various transactions and multiple salaries which enriched former General Secretary-Treasurer Dusty Miller during the first two years he held that office. Prior to his appointment as Secretary-Treasurer by Fitzsimmons in 1972, Dusty Miller had run the Southern Conference for two decades. Like the current head of the Southern Conference Joe Morgan, Miller had occupied both positions of International Director and Policy Committee Chairman of the Southern Conference and had collected two full salaries for what was, and is, essentially one job. His gross salary from those two sources grew steadily to the point he broke through the six-figure barrier in 1971 when he received \$48,738 directly from the IBT-controlled Conference, and \$61,887 from the International for serving as Fitzsimmons' emissary and directing Conference affairs.<sup>154</sup>

Miller was sworn in as General Secretary-Treasurer on March 31, 1972. At the time, he still had 17 months to go in his term as Chairman of the Southern Conference Policy Committee. While he resigned as the International Director of the Conference when he became Secretary-Treasurer of the International, he retained his post on the Policy

<sup>152</sup>On its 1971 LM-2 form, the Union reported spending \$2,912,513 on organizing; in 1972 that sum rose to \$3,931,907; in 1973 to \$7,434,550; and in 1974 to \$8,550,357. In fact, the Union has consistently underreported its "organizing" expenditure in its annual report to the members which it publishes in the *International Teamster* magazine sent to every member. Thus, the Union told its members it spent only \$7.5 million in 1974, and \$6.4 million in 1973.

<sup>153</sup>For example, it is possible that Roy Williams' 1974 salary increase was skimmed off the International's organizing allowance. Remember, the \$26,000 salary increase he received that year from his Joint Council coincided with the \$54,000 organizing grant the Joint Council received from the Central Conference which, as we have seen, is an arm of the International.

Due to the possibly suspect nature of the International's huge allocations for "organizing" in recent years, it would seem that members should be entitled to force the IBT to open its books, pursuant to the Landrum-Griffin Act, to justify every expense charged off to organizing. 29 U.S.C. 431(c). If any misappropriations should be discovered, members can maintain suits against those officials responsible for wasting or converting their dues-moneys to recover the funds. 29 U.S.C. 501. Attorney fees will be awarded against the wrong-doing officials, not the Union, where the plaintiff-members are successful in their suits.

<sup>154</sup>In fact, Miller evidently gained influence rather rapidly under Fitzsimmons. In 1970, his salary from the Conference was only \$32,074. The following year it jumped 50 percent. During the 1960s, Miller held the Conference Policy Committee meetings aboard the *Yellow Rose of Texas II*, a yacht owned by the Conference. Between 1964 and 1968, the Conference reported expenditures of \$27,861 on "Boat and Entertainment Expenses".

Committee and the \$54,801 salary that went with it. Moreover, although Miller was not sworn in as the General Secretary-Treasurer until the beginning of the second quarter of the year 1972, Miller also collected the full \$100,000 annual salary that went with his new position in spite of the fact the International also paid Miller's predecessor, Thomas Flynn, his pro-rated portion of the \$100,000 salary or \$26,802 for his services during the first 3 months. Thus, during the year 1972, the International Teamsters Union under its new General Secretary-Treasurer expended a total of \$126,802 for a position for which the Union's Constitution only authorized \$100,000.<sup>155</sup> As a result, Miller was able to gross \$169,029 in salary, allowances and expenses from the International and the Southern Conference in 1972.

The year 1973 also proved to be a rewarding year for Dusty Miller. In spite of the fact Joe Morgan took the reins from Miller as Chairman of the Southern Conference Policy Committee in August of that year, Miller again received his full, annual salary for the job. Thus, in 1973 Dusty Miller once again grossed more than \$160,000.<sup>156</sup>

In 1974, Miller was yet again the beneficiary of Southern Conference largesse. During that year, the Conference gave him a condominium apartment in the Canongate development located in North Miami, Florida which was built by Calvin Kovens who was convicted in 1964 along with Jimmy Hoffa of defrauding the Central States Pension Fund.<sup>157</sup> The Conference had purchased the apartment in 1972 for \$48,452 and Miller was the regular tenant until he became the technical owner on April 26, 1974. Interestingly however, the Southern Conference Policy Committee actually adopted the resolution to make the gift to Miller at the meeting the preceding August when Miller stepped down and Joe Morgan was sworn in as Chairman.<sup>158</sup>

While Frank Fitzsimmons undoubtedly knew exactly how well his appointee Dusty Miller was doing financially during these years, neither he nor the Union's trustees, whose job it was to monitor the International's books and stop such practices, even bothered to

<sup>155</sup>In fact, even more was spent if one includes the additional \$14,228 the Union paid Miller in allowances and expenses in 1972. The most Miller should have been paid by the International in 1972 was roughly \$89,000. For serving as General Secretary-Treasurer for 9 months, the Union should have paid him \$75,000. For serving as International Director of the Southern Conference for 3 months he might have been expected to earn \$14,000 (1/4 of the \$55,000 Conference Directors are normally paid). The fact that he paid himself considerably more might well constitute a breach of his fiduciary duty. See 29 U.S.C. 501.

<sup>156</sup>He received \$57,298 from the Southern Conference and \$107,541 from the International.

<sup>157</sup>Canongate was once the popular Teamster resort that LaCosta has now become. Miller's apartment number was 718. According to news accounts, Allen Dorfman stayed close by in apartment 716. Cleveland financier and Bally Corporation treasurer Sam W. Klein stayed next door to Miller in apartment 719. Frank Fitzsimmons and William Presser stayed in apartments 602 and 302 respectively.

<sup>158</sup>Miller probably paid no income tax on the value of this "gift".

mention, much less question them.<sup>159</sup> Because the Conferences are not independent legal entities, and are technically and financially nothing more than extensions of the International Union, it may be argued that Dusty Miller, as Secretary-Treasurer of the International, lined his own pockets during the first couple of years he held office. Not only did the Teamster rank and file never authorize or ratify the excessive payments Miller received, their "delegates" never even elected him to the office of General Secretary-Treasurer.

<sup>159</sup>The three IBT Trustees were Frank Matula (Los Angeles), Maurice Schurr (Philadelphia), and Louis Peick (Chicago). Fitzsimmons recently elevated Peick to Vice-President. Interestingly, while Matula and Schurr each received less than \$1,000 in allowances in 1970, their allowances shot up during 1971 and 1972. Matula received \$17,095, just in allowances, in 1971, and \$15,182 in 1972. Schurr received \$13,015 in 1971, and \$12,860 in 1972, again just in allowance, excluding salary and expenses. Incidentally, Matula was convicted of perjury in 1959.

## CHAPTER 9

### Other Teamster Benefits: Expense Accounts, Severance Plans, Automobiles and Airplanes

Depending upon a Teamster official's rank and his proximity to power( most frequently in Joint Councils and other organizations where he is not directly accountable to the rank and file) the official may well be able to maintain a standard of living which bears no resemblance to the salary he is being paid. Salaries must be attributed directly to the recipient on the Department of Labor LM-2 reports each and every Teamster organization must file annually. On the other hand, many of the other benefits officers receive at Union expense are simply not calculable since they are lumped together under various vague designations and are not attributed directly to the officers.<sup>160</sup> Thus, while we will have no way of knowing exactly how well off many Teamster officers really are, let us examine some of the various forms of benefits they receive. Remember, the rank and file must ultimately pick up the tab for each and every allocation of Union funds.

### Allowances

The creative use of union "allowances" can often insure that an officer takes home considerably more cash each month than the rank and file think they are providing him. If an official thinks he deserves a raise or simply wants more money than he is receiving but the rank and file would disapprove of a raise, the increase can often be arranged in the form of some allowance or another.

The model bylaws which the International circulates to Local Unions urge the adoption of a provision whereby the Local Executive Board may vote themselves "additional compensation and allowances" from time to time as needed. In many Locals, the Executive Board's powers are exercised in fact by just one official. At the International level, while we have seen that the Constitution imposes a \$30,000 ceiling on General Organizers' salaries, the International automatically pays these individuals at least an additional \$5,137.50 in allowances each year. To begin with, Organizers receive a \$7.50 per diem "incidental allowance" and a \$200 per month automobile allowance.<sup>161</sup> In addition, when they travel out of town, General Organizers are automatically

<sup>160</sup>This information clearly should be broken down further so the rank and file could get a more accurate picture as to what their officers are receiving.

<sup>161</sup>As we shall see later in this Chapter, the Union frequently owns the automobiles its officials use and provides them with gasoline credit cards. Therefore, this \$2,400 annual automobile allowance to General Organizers may be a pure windfall.



paid another \$40 allowance each and every day they are away in spite of the fact their credit cards can be used to cover almost all of their expenses. This form of pay is frequently a pure windfall for Organizers.<sup>162</sup>

We make no effort here to present a complete account of the allowances paid to the many hundreds of Teamster Joint Council and Conference officials. Much of this information can be found in Part IV in their individual profiles. We do wish to note, however, that IBT Vice-President Arnie Weinmeister's Joint Council 28 was scrupulous to indicate on its 1974 LM-2 report that the \$7,610 allowance it paid Weinmeister,<sup>163</sup> and the various allowances it paid its other officers were "considered to be additional compensation to the recipients for income tax purposes and are so reported by the Joint Council." This language on Teamster LM-2 reports appears very rarely and while most allowances paid to Teamster officials are, indeed, taxable income under the Internal Revenue Code, the omission of this acknowledgment by most officials suggests the possibility that they may not be reporting all of their lawful income. In fact, as an "employer", each union entity is obliged to withhold tax on all "income" they pay Teamster officers and employees. It is possible that those organizations may not have included "allowances" as well as "salaries" in the income category in which case they would not have withheld the proper tax. As a consequence, the Local or Joint Council, etc., may be directly liable to pay stiff penalties. In such a case, the Teamster rank and file would, once again, have to pick up the financial burden created by their officers.

### Expense Accounts

Many Teamster officials have virtually unlimited use of Union credit cards. The sums charged to these Union accounts are never attributed to the individual officials and are lumped into various other Union expense categories on their LM-2 reports. There simply is no way of calculating the value of this benefit to any given official without asking the Union to open its books to a member so he can inspect who signed for what.<sup>164</sup> The only time the Union is required to report an "expense"

<sup>162</sup>See Art. V, Sec. 1(e), IBT Constitution which authorizes these various allowances not only for International Organizers, but also for International Vice-Presidents, Trustees and "executive officers". It is not known whether the Union interprets this latter designation to include high-ranking, staff employees.

<sup>163</sup>Weinmeister also received \$5,737 in allowances from the International in 1974 bringing his total for allowances that year to \$12,947. Other high ranking Teamster officials who happened to break the \$10,000 allowance barrier in 1974 included IBT Vice-Presidents George Mock, Robert Holmes, William Presser and Andy Anderson. Another eleven Eastern Conference "representatives" and nearly two dozen General Organizers and International Auditors also topped this mark in 1974. Many other officials may also have run up equally high allowances.

<sup>164</sup>Should the Union balk, members may force the Union to open its books "for just cause" to verify the LM-2 figures. 29 U.S.C. 431(c).

figure for particular officials is when it has reimbursed those officials for sums they reportedly spent out of their own pockets on union business.<sup>165</sup>

In spite of this very narrow reporting requirement, PROD found that various Teamster organizations have reimbursed certain officials for rather sizable expenses they reportedly incurred.<sup>166</sup> For example, in 1974 Andy Anderson, the International Director of the Western Conference was reported to have been paid \$17,318 in Expenses alone. Two other Western Conference officials received even more. John J. Sheridan, Chairman of an unspecified trade division of the Conference was reported receiving \$19,690 in "expenses" on top of his \$33,635 salary. Ralph Cotner, a Western Conference "representative" actually received more in expenses than he did in salary (\$23,531 vs. \$23,269). And, as we have already seen, Roy Williams received \$17,631 in "expenses" from the Central Conference during the same year in which no other Central Conference official received more than \$428 in expenses.<sup>167</sup>

### Travel Accounts

Travel accounts are just one form of expense account which a number of Teamster officials have the privilege of enjoying in varying degrees. Nonetheless, they warrant special mention. Fitzsimmons, Miller and now Schoessling, Presser, Triscaro and now Busacca, as well as Jesse Carr<sup>168</sup> may all travel whenever they please to posh, warm

<sup>165</sup>The Department of Labor instructions for completing the LM-2 reports state that unions should not include "expenses for hotel room or for transportation of the officer on official business by public carrier for which payment was made by your organization either directly or through its credit arrangements" in the "expense" column next to the officer's salary. The government goes on to make it clear that the sum which must appear in this column is only that amount which the officer paid out of his own pocket for "expenses necessary for conducting union business."

Those expenses which are charged directly to Union credit cards or which are paid directly by the secretary-treasurer are listed instead under a heading, "Office and Administrative Expenses", which include such items as rent, bonding premiums, utility bills, etc. No further breakdown is required. As a result, the category can function as a catch-all, concealing certain questionable expenditures. The sums appearing in the category can vary radically from one year to the next without explanation. The Central Conference, for example, reported spending the following amounts in this category during the years indicated:

1971	\$790,842
1972	\$1,072,614
1973	\$379,775

Why these enormous variations?

<sup>166</sup>For a detailed summary of "expenses" reported by various Teamster organizations for a large number of Teamster officials, see the profiles in Part IV.

<sup>167</sup>Another example of a wasteful expense account which Roy Williams may tap at his pleasure without the money being attributed directly to him as an "expense" is the Missouri-Kansas Conference bylaw (Sec. 8.01) which authorizes Williams (President), Ed Dorsey (Vice-President) and Karl Rogers (Sec.-Treasurer) to spend Union funds to "provide entertainment for themselves and their friends during non-working hours on out-of-town trips." Remember, the General President is empowered to reject any Teamster organizational bylaws.

<sup>168</sup>Carr is the President of Alaska Local 959 who was recently appointed an International Trustee by Fitzsimmons.



weather resorts and may bring along wives and/or secretaries or in some cases any number of business associates. The Teamsters membership must pick up the entire tab for their frequent and luxurious vacations. Other Teamster officials enjoy less expansive travel provisions. For example, St. Louis Local 618 permits its president, Ed Dorsey, unlimited travel for the purpose of establishing and maintaining contacts that will benefit the Local. With a little imagination, such a travel provision could arguably cover trips to join Teamster officials who might be golfing at La Costa.

### Automobiles

The one benefit most frequently enjoyed by high Teamster officials is personal use of Union-owned automobiles. And, judging from the make and model of car purchased by most officials, the common attitude is "nothing but the best."<sup>169</sup> For example, not only does Frank Fitzsimmons drive a late model Lincoln or Cadillac, so do his two assistants, Walter Shea and Weldon Mathis, who both traded their 1973 Cadillacs for \$12,000 Lincolns in 1974. Chicago Joint Council 25, presided over by Louis Peick, outdid the International when it spent \$13,957 for a single automobile in 1974.<sup>170</sup>

In addition to providing officials with union-owned automobiles to drive, a number of Teamster organizations have made outright gifts of these cars to their officials. In the early 1970s, nine Teamster officials from the Cleveland area "purchased" late model cars from the Union for the total sum between them of \$13. During the ensuing trial for misusing Union funds, William Presser's attorneys pointed out that it was a common practice to give automobiles to retiring officials. Retiring Local 407 President, John Kalnicki, was one official who purchased his Cadillac for \$3, yet he immediately came out of retirement to become an organizer for the Central Conference. Other "retiring" Teamster officials who received gifts of automobiles include the Union's General Secretary-Treasurer, Ray Schoessling, who received a vehicle valued

<sup>169</sup>Some Locals do exercise restraint when spending their members' dues money on automobiles. For example, Winston-Salem Local 391 and Seattle Local 741 both require their officers and business agents to use their own cars for Union business and simply provide them with a fixed monthly allowance for this transportation expense.

However, typical language appearing in Union bylaws seeks to justify the personal use of union-owned automobiles:

It is recognized that such officers or employees are required to be on call at all times, may be required to garage such automobiles and are responsible for their safeguarding. Accordingly, for the convenience of the union and as partial compensation for such additional responsibilities, such officers shall be permitted private use when the automobiles are not required on Union business.

This language can hardly excuse the officials from reporting the value of the personal benefit they derived and from paying income tax on it.

<sup>170</sup>Peick's Joint Council also reported giving \$15,281 in 1974 to Peick's Local 705 as "reimbursements for auto expenses". Other examples of such extravagance are provided by Newark Local 641 and Cleveland Local 436. Local 641 purchased seven \$9,000 autos while Local 436 supplied each of its seven officers with brand new Cadillacs.

at \$7,450 when he stepped down from the presidency of Joint Council 25 now headed by Peick.<sup>171</sup> The Southern Conference gave a \$4,915 automobile to Norman Goldstein when he "retired" from the position of "organizer" in 1974 to become "administrative assistant" to the Conference's Policy Committee Chairman Joe Morgan. Various other officials, including IBT Vice-President George Mock, and General Organizers W.W. Teague and C. Howard Jones,<sup>172</sup> have received automobile gifts for no apparent reason.<sup>173</sup>

### The Teamster Air Force

Expensive automobiles are not the only form of transportation that Teamsters are providing their officers. In 1969, the Union began assembling a fleet of airplanes which has grown to the point where today it includes five luxurious jets and two turboprops worth over \$13 million at 1974 values.<sup>174</sup> In the private sector, the Teamster's private "air force" is exceeded in numbers only by the nation's largest corporation, General Motors, which owns six jets and six turboprops.

The Union acquired its first airplane in 1969 when it leased a jet from Allen Dorfman's Union Insurance Agency for the annual sum of \$1.2 million.<sup>175</sup> During the same year, the Southern Conference, then headed by Dusty Miller, sold its \$44,000 yacht and purchased its first plane for \$227,850. The following year, the Conference began "trading up" in the executive jet category by trading in this jet for one that cost \$663,850. The difference between the cost of the new plane and the trade-in on its old plane (roughly \$450,000) was financed by a grant from the International. In 1972, the Southern Conference again moved up to another jet which cost the Conference \$932,850.

<sup>171</sup>When Schoessling gave up his job as Joint Council 25 President in 1973, he stepped immediately into another Joint Council position — Trustee — yet continued to draw the exact same salary (\$28,500) that he had received as President. The other Joint Council trustees received only \$15,500.

<sup>172</sup>Jones received this car in 1969 from the Southern Conference which his father-in-law, Dusty Miller, then ran. When Miller became the International's Secretary-Treasurer, Jones was elevated to Secretary-Treasurer of the Southern Conference Policy Committee. Inasmuch as Jones was also on Fitzsimmons payroll as a General Organizer, he was able to gross \$69,491 in 1974 (\$43,052 from the International and \$26,439 from the Conference).

<sup>173</sup>For a listing of 31 similar automobile transactions, see Appendix "C".

<sup>174</sup>Scripps Howard reporter Dale McFeatters has identified the aircraft to be: 1 Grumman Gulfstream II, 2 French-built Dassault Falcon 20s, 1 Falcon 10, 1 Learjet 35, and 2 Swearingen Merlin II turboprops. McFeatters' investigation also uncovered a Hawker Siddeley 125 jet technically owned by the Teamsters Central States Pension Fund.

<sup>175</sup>This arrangement apparently generated such bad publicity that the International cancelled the lease. After the 1970 LM-2, there is no more mention of the agreement. A 1972 Chicago Sun-Times investigation revealed that the Union Insurance Agency bought singer Frank Sinatra's 12-passenger Grumman Gulfstream jet for \$3-million and then turned around and leased it to the Central States Pension Fund. Sinatra's jet reportedly replaced two planes used by the fund which were found to be too small. *Chicago Sun-Times*, June 18, 1972.



During the same year (Fitzsimmons' first year as the *elected* President), the International purchased a plane costing \$3,390,443. Two years later in 1974, Fitzsimmons purchased a second jet for the International at a cost of \$1,470,625. In the meantime, he had assisted the Central States Conference to purchase its first plane in 1970 for \$552,477 by giving it a grant of \$500,000 from the International treasury. The Central States Conference sold this plane in 1972 in order to help finance its purchase of a Hawker Siddeley jet for \$717,299. Interestingly, although their old plane had a book value of \$497,000, they sold it for only \$390,000 to an unidentified buyer. And finally, not to be outdone, the Western Conference purchased a plane in 1974 for \$831,340.<sup>176</sup>

The initial cost of these planes of course represents only a part of the total cost to the rank and file. There are also salaries for pilots and mechanics, as well as insurance premiums, storage costs and landing fees which must be paid, not to mention the cost of fuel and parts. Pilots and mechanics salaries alone during 1974 came to nearly a quarter of a million dollars. The Central States Conference is the only Teamster organization which clearly reports the full operating expenses of its aircraft.<sup>177</sup> During two recent years, the Conference reported spending nearly half a million dollars to keep their one jet aloft. The total annual cost of operating the entire Teamster air force is estimated to be at least \$2 million.

The tremendous cost of acquiring and operating these aircraft must inevitably be pondered by the rank and file who wonder whether the planes, particularly such luxurious planes, are really necessary to assist their leaders to represent them. Indeed, they may wonder whether the jets are being used solely for Union business or perhaps as a shuttle service for officials travelling between resorts and their several homes.<sup>178</sup> While Fitzsimmons has been generous with the rank and file's monies to provide himself and his colleagues with a fleet of swift, jet aircraft, he did not, by comparison, spend one cent to insure job health

<sup>176</sup>Other Teamster organizations have also tried to get into the aircraft business. Even the tiny Georgia-Florida Conference which operates on only \$150,000 annually was involved in an attempt to purchase its own plane. In December 1971 they bought a Beechcraft for \$55,000 plus \$19,250 in interest. Shortly thereafter however, they sold the plane for a small profit. Alaska Local 959 reported purchasing a plane in 1972 for \$115,000. The corporation which owns Local 959's buildings also reported spending \$365,488 for airplanes in 1974 and the Local reported paying the salaries of two pilots that same year.

<sup>177</sup>For example, the Southern Conference lumps the operating expenses of their jet into a category entitled, "Airplane, Travel, Entertainment & Dinner."

<sup>178</sup>Several top Teamster officials have had second homes in warmer areas of the country. Frank Fitzsimmons, Dusty Miller, William Presser and the late Thomas E. Flynn all had condominiums in the luxurious Canongate development in North Miami. While in office Dusty Miller reportedly had a home in Palm Springs, California as well as Great Falls, Virginia while Fitzsimmons now has a house in La Costa in addition to his Union-owned residence in Bethesda, Maryland. Milwaukee Teamster official Frank Ranney reportedly maintains a residence in Coral Springs, Florida.

and safety for his 2.3 million members until late 1973 when he hired the Union's first Safety Director at an annual salary of \$30,000 — a few pennies compared to the huge sums expended on the Union's air force.

## Loans

As we saw in the "Cleveland Connection", Teamster officials occasionally manage to obtain sizable loans from different Union treasuries. Sometimes it is impossible to determine the terms of the loan, whether for example they are more advantageous than the terms available for money in the open market. Indeed, it is sometimes impossible to determine even if the loans were ever repaid.

A close look at the International's LM-2 reports from 1959 to 1974 reveals that 9 top Union officials have been repaying real estate loans ranging from \$5,000 to \$40,000 which were made out of the Union's general treasury.<sup>179</sup> The Landrum-Griffin Act of 1959 made it illegal for unions to loan, either directly or indirectly, more than \$2,000 to any officer or employee. This provision would appear to forbid the Union from making loans to its officials out of its various pension and health insurance funds as well as the Union treasuries, themselves.

## Gifts and Bonuses

In addition to the other forms of compensation Teamster officials receive, certain officers have also received handsome gifts from time to time from various segments of the Union. We have already seen examples of automobiles being given (sometimes for a nominal price) to officials as retirement presents or in appreciation of their services. Let us now take a look at a few examples of other gifts PROD detected in certain Union financial reports. Once again, no systematic effort was made to uncover every gift which may have been lumped into the LM-2 form's "Other Disbursements" category by every Teamster organization during recent years. The following "gifts" simply caught our attention and were easily verified during our research.

In 1974, Chicago Local 781 gave away \$72,000 to just three individuals who all had the same last name — Bernstein. Joseph Bernstein, the Local's President, was awarded a \$36,000 "other disbursement" on top of the \$63,505 salary he already received from the Local. His son, Joseph L. Bernstein, the Local's Secretary-Treasurer,

<sup>179</sup>The officials who received the loans, and the amount of the loan are: James Casey, former administrative assistant to Dusty Miller, \$17,000; Thomas E. Flynn, the late General Secretary-Treasurer, \$29,000; T.L. Hughes, \$6,000; D. Kaplan, \$23,000; Joseph W. Morgan, \$26,000; W.T. Mullenholz, former comptroller of the IBT, \$13,000; Frank J. Murtha, \$40,000; and F.A. Tobin, \$24,000. The International did not clearly report this information until 1962. It is assumed, however, that all the loans were made prior to the effective date of the Landrum-Griffin Act, September 14, 1959. For a more complete listing of IBT loans, see Appendix "D".

and Local Business Agent Robert Bernstein each received \$18,000 gifts.<sup>180</sup>

The Teamster Conferences have, under Fitzsimmons' overall supervision, been particularly generous over the years. In 1974, the Western Conference gave its retiring Director Einar Mohn \$11,872 in addition to the cash bonus of \$862 it gave to each of 25 "employees" that year.<sup>181</sup> That same year, the Eastern Conference gave its long-time official Richard Bell an \$11,000 retirement gift.

The Southern Conference appears, however, to have been the most generous. We have already seen that it gave Dusty Miller a furnished, luxury condominium apartment in Florida and that it gave automobiles to his son-in-law C. Howard Jones and to W.W. Teague.<sup>182</sup> During his first year as acting General President in control of the Conferences, Frank Fitzsimmons was the recipient of a \$8,119 "gift" from the Southern Conference, then under the direction of Dusty Miller.<sup>183</sup> After Miller moved up from Conference Director to General Secretary-Treasurer of the International, the Conference gave \$16,000 to M. Ralph Dixon who retired as Secretary-Treasurer of its Policy Committee to be replaced by Miller's son-in-law, Howard Jones. This all occurred at the same time that Miller finally relinquished his job as the Chairman of the Policy Committee.<sup>184</sup>

Over the years, various other gifts of cash were awarded to loyal Teamster officials by the Southern Conference. Veteran International General Organizer W.C. Smith received \$1,000 cash bonuses in 1971, 1972 and 1973. In 1974, the Conference gave \$5,000 gifts to R.C. Cook

<sup>180</sup>Joseph Sr. also received \$8,226 in expenses from the Local, \$15,500 from Joint Council 25, and \$10,417 from the Central Conference. Including the gift from his Local, he grossed \$133,648 in 1974. His son grossed \$87,478 and Robert Bernstein grossed \$76,743. Robert Bernstein grossed \$76,743.

<sup>181</sup>During the same year that Fitzsimmons was able to suddenly "promote" Andy Anderson to take Mohn's place, the International also gave Mohn a \$10,000 "other disbursement."

<sup>182</sup>During the same year in which it gave away these cars, it also gave the same two individuals \$1,000 bonuses. 1969 must have been a good year, indeed! Jones received another \$1,000 bonus in 1971 even though he was not listed as a Conference employee that year.

<sup>183</sup>Whether this was a "gift" or "income" for which Fitzsimmons was liable for taxes is debatable in light of the fact the Conferences are under the President's sole direction and control. Similarly, one might also question the validity of numerous other "gifts" in one form or another which Teamster officials have received from organizations they control.

<sup>184</sup>The Southern Conference under Miller also made a sizable real estate loan (\$110,000) which it reported in 1969. The loan was described by the Conference as a "1st Mtge Sale of Trust Prop. 20 yrs transferred from aff." and was made to two individuals identified only as N. Trent and D. Trent. As of 1974, only \$13,446 of the principal of this mysterious loan had been repaid.

After Joe Morgan became Director of the Conference, it reported spending in 1974 \$85,873 in contributions to civic and charitable causes. This sum was more than twice the amount the Conference had ever before spent for such causes. Because the expenditure was not itemized, there is no way to determine who, or what organizations were benefitted. Teamster members would, however, be entitled to examine the Conference's books and receipts to verify these expenditures. See 29 U.S.C. 431(c).

and Odell Smith. Cook retired the previous year after a long career as an Atlanta Teamster leader. Smith had been ousted by a reform slate from Little Rock Local 878, the Local he had created and dominated for many years. Smith had also served as a Union trustee of the Central States Pension Fund.

The Texas Conference is one more Teamster organization which is in the practice of making gifts to officials although it seems to specialize in giving money to higher officials who might be in a position to do it some favors. For example, from 1962 to 1971 the Texas Conference made the annual \$720 payments for an insurance policy for Dusty Miller, then Director of the Southern Conference. In addition, it gave Miller \$1,500 in 1967, \$2,500 in 1969, and \$1,500 in 1970 outright. Moreover, when Joe Morgan replaced Miller in 1973, the Texas Conference immediately came up with a \$3,795 welcome gift for the new Southern Conference Director.

### Retirement Benefits & Severance Funds

Although most Teamster officials are eligible to receive comfortable pensions upon retirement, quite a few in addition to William Presser will be able to retire in splendid luxury. Once again, because the Department of Labor requires little information on the subject and does not require unions who fail to provide even this paucity of financial data to comply with the reporting requirements, we frequently cannot determine exactly what any given official will receive and can only put together a rough picture.

To begin with, the IBT Constitution (Art. IX, Sec. 10) expressly authorizes the International Executive Board to adopt any pension or health and welfare plan it deems to be in the best interest of "the officers and employees of the International Union or subordinate bodies." In fact, the IBT has created two such plans — the Teamster Affiliates Pension Plan, and the Retirement and Family Security Plan. Both are funded exclusively out of the IBT general treasury. The Affiliates Plan covers every officer and employee in every Local, Joint Council and Conference in the country. The Family Protection Plan covers only International officials and employees. Under this latter Plan, IBT personnel are eligible to receive pensions, lump severance benefits or death benefits (to survivor) after just 5 years of service.<sup>185</sup> The death or severance benefits to which participants are eligible are "equal to the reserve calculated on the basis of 75% of the accrued pension."<sup>186</sup> (Form D-1, May, 1973). The formula used for computing the annual pension

<sup>185</sup>Since elections for International officers occur only once every five years, every officer will qualify even if he should only serve one term in office.

<sup>186</sup>The Union's Plan description does not specify how the "reserve" or "accrued pension" value is computed for purposes of determining lump severance or death benefits.



benefit is:  $(3-1/3\% \times \text{average annual union salary}^{187} \text{ for all years prior to 1970} \times \text{number of years employed}) + (2-1/2\% \times \text{average annual union salary during and after 1970} \times \text{number of years employed}) = \text{annual pension}$ . Thus, if an International official were to retire after 25 years of service in the Union, 15 of which was at the IBT level, and if his average annual salary were \$50,000, he would be eligible to retire on an annual pension of \$48,750.

Since the Constitution grants the International General Executive Board authority "to adopt, maintain or amend any pension or health and welfare trust agreement or plan which it deems to be in the interest of the officers. . .", these seventeen individuals are empowered to sit around a table and decide just exactly how much they would like to receive when they retire. There is no requirement that they submit the plan to the Union's rank and file for approval much less that they even inform the rank and file of its existence. Moreover, due to the incredible flexibility vested in the Executive Board to modify their pension plans, or even tailor make them to the needs of specific individuals, it would appear that the Board could easily induce the departure of a member it might want to ease out or that members could scratch one another's backs as they plan for their own retirements.<sup>188</sup> The IBT Constitution, as it is currently worded, simply makes all this possible.

The second IBT pension plan, the Affiliates Plan, covers every officer or employee of every affiliated Local, Joint Council and Conference "who has completed three years of employment". Since the most frequent elections held in the Union are held no more frequently than every third year, every official who is ever elected to any Teamster office and who serves his entire term is covered by this Plan. This includes most of the International officers inasmuch as most of them simultaneously hold some position in a subordinate, affiliated Teamster organization as well. Accordingly, they are eligible to collect benefits under both plans.

Bear in mind that since the contributions into these plans are made out of the IBT treasury, every Local Union official automatically has a stake in seeing that the per capita dues their organizations must pay to the IBT are sufficient to make the required payments into their Affiliates Plan. Remember also that the IBT dues structure is part of the IBT Constitution (Art. X, Sec. 3) which is subject to modification at Conventions. Who are the delegates to the Conventions? Yes, of

<sup>187</sup>Evidently an official's "salary" is not limited to just his IBT salary but may be the total accumulation of salaries for holding office in multiple organizational entities.

<sup>188</sup>In the International's 1975 LM-2 report, there appears the following mysterious entry under the heading "contingent liabilities":

"On October 24, 1975 the International Brotherhood of Teamsters entered into an agreement with the Retirement and Family Protection Plan for Officers and Employees of the International whereby the International Union agreed to set aside \$698,064 in a deposit account for a contingent liability which will be determined by December 31, 1977."

course, the Local Union officials. How large is their stake in the IBT dues structure? In 1975, thirty-three cents of every dollar the Locals contributed to the IBT were plowed back into this special plan for the benefit of their officers. While the Teamster rank and file may in some instances have a little authority to approve the salaries they pay their officers out of the Local treasuries, they are virtually powerless to affect these pension, death and severance benefits their officials will receive. They are entirely frozen out of the decisional process by the rules of the IBT Convention which enable their officials to line their own retirement pockets. Nonetheless, it is the rank and file who must pick up the tab.

Just how nice are the benefits which may flow from the Affiliates Plan to all Teamster officials? According to the plan description (Form D-1) filed in June of 1973, all Union officials and employees are eligible to retire at age 50 if they have worked for the Union for 15 years. If they retire at age 57 and have 15 years of service, they will receive an annual pension computed according to the formula:  $2-1/2\% \times \text{average annual salary up to } \$40,000^{189} \times \text{number of years employed} = \text{pension}$ . Thus, if an official were to retire after 20 years with an average annual salary of \$30,000, he would be eligible to receive a pension from the Affiliates Plan of \$15,000 per year. But, that is just the beginning of the benefits to which he is eligible under the Plan.

Other benefits for which all Teamster officials are eligible under the Affiliates plan include disability insurance, lump-sum severance pay, and lump-sum death benefit (to survivor or beneficiary). To qualify for the disability insurance, an officer need only have had 9 years of service to receive an annual payment computed according to the same formula used for figuring the level of pension payments. To be eligible for the death and severance benefits, the officer need only have had 3 years of service. The death payment is  $7-1/2\%$  of all earnings after 1961. The severance payment is 5% of all earnings during the first 10 years of service plus  $7-1/2\%$  of all earnings after 10 years. Thus, the death benefit to the survivor of the official who worked 20 years in the above example would total \$45,000. In addition, when that official left the Union voluntarily, or when he was "severed" by his members in an election, he would have received \$37,500 as his lump-sum severance benefit.

In addition to the two International pension plans, various other organizational units in the Teamsters Union also have separate retirement plans for their officials who may simultaneously be beneficiaries of one of the International's plans. The essential point to understand is that there is no limit on the number of pension plans a

<sup>189</sup>The salary ceiling listed in the Union's 1973 D-1 report was \$20,000. Although the Union had not filed an amended D-1 report when this Report was published, PROD learned from a reliable source inside the Union that the ceiling had been raised to \$40,000 and that the period of time for 100% vesting had been shortened from 15 to 10 years.



Teamster official might line up to tide him through his retirement years.<sup>190</sup> For example, all of the officers of Chicago Local 710 appear to be covered by the plan that covers the Local's over-the-road drivers, the Local's own special plan for officers, and the Joint Council 25 plan, in spite of the fact they are not all officials of the Joint Council.

Another method used by a number of Teamster officials to soften the financial impact of their individual separation from the Union is the severance fund earmarked for their benefit. For example, we have already seen this device used successfully by various Cleveland Teamster officials in Chapter 7. While these officers may have been innovators of the severance plan, they by no means have a patent on it.<sup>191</sup> In Baltimore, Leo Dalesio had his Local 311 set up a special trust fund in 1966 to provide him with benefits in the event he should be voted out of office.<sup>192</sup> As of 1974, the trust had accumulated \$130,489 in assets. St. Louis Local 618 has created a similar severance fund for its president, Ed Dorsey which, as of 1974, was worth \$85,313 which the Union has labelled as an accumulation of unpaid compensation from 1944 through 1962.<sup>193</sup> The officers of Local 295 in Jamaica, N.Y., voted themselves a special lump-sum severance pay award plan several years back which paid Harry Davidoff \$52,000 when he retired from that Local in 1972 in order to devote his energies to Teamster Local 851 which he

<sup>190</sup>The "model" Teamster bylaws contain an open-ended provision conferring unlimited discretion upon subordinate Union officials to create special trust funds for their own personal benefit. The following is a typical provision:

*Benefits.* The Executive Board may from time to time provide fringe benefits for officers, employees and representatives of this organization, including but not limited to such fringe benefits as vacations with pay and expenses thereof, holidays, sick leave, time off for personal leave, and in connection therewith, any disability or sickness, health and welfare and retirement benefits and activities and facilities relating thereto, and may from time to time provide changes therein as well as additional compensations and allowances. Art. VII, Sec. 4, Local 728 Bylaws. (Local 728 is the Atlanta Local headed by IBT Vice-President Weldon Mathis.)

<sup>191</sup>For example, a business agent or officer in Cleveland Local 407 may be covered by the Local's own Severance Fund, the Joint Council 41 Business Agent's Pension Plan, and the IBT Affiliates Plan. The officers in Pontiac, Michigan Local 614 appear to be covered by their Local's severance fund as well as the Michigan Joint Council 43 fund and the IBT Affiliates Plan. Salvatore Provenzano and his fellow Local 560 officers and agents have the protection of the generously funded Local severance plan in addition to the benefits of the Joint Council 73 and IBT plans.

<sup>192</sup>This and all other severance funds which have become quite popular among Teamster officials, appear to be intended as a financial backstop to cushion the officials from the effects of union democracy. With such financial security, one may question the extent to which the officials will continue to be motivated to represent the will of their electorate.

<sup>193</sup>This fund was not even created until 1962. Whether this sum of money was actually earned, but deferred, or whether it was simply created and then spread back over a number of years in order to make it appear to have been more modest is a question which should be asked by the Union's members. The answers may well determine whether the law has been violated. See 29 U.S.C. 501. They may also establish whether when, and how much income tax the beneficiary should have, or did pay.

had recently chartered. In 1974, Michigan Joint Council 43 set up a special severance account for its officials, and local officers in the state and funded it in that year alone with \$176,000.

Other Local Teamster officials have made similar arrangements for themselves. Newark Local 863 — the bailiwick of reputed mafioso Joseph Pecora — reported a "reserve for Retirement Benefits" in 1974 which was worth \$377,142. Typically, the Union did not report for whom these benefits were intended. St. Louis Local 688 maintains a special trust fund for the benefit of its former Secretary-Treasurer, Harold Gibbons. In 1974, the principal in this trust fund was listed as \$159,966. A 4,000-member New York City Local 816 gave its president, Lester Connell, a 125% salary increase in 1974 (from \$24,268 to \$54,226) which the Union's bookkeeper indicated included a severance pay settlement.<sup>194</sup>

New Jersey Teamster leader Tony (Pro) Provenzano was one of the originators of the deferred compensation scheme. In late 1962, 2 percent of Local 560's members approved a salary increase from \$19,500 to \$44,500, and several months later they reportedly approved yet another raise bringing his annual salary (just from his Local) to \$94,500. After Tony Pro went to prison in 1966 for extortion, he began receiving \$25,000 annually from his Local which had reportedly built up a \$250,000 deferred compensation fund from his "unpaid" salary during the few years immediately preceding his imprisonment. After his release, Tony Pro was forbidden by law from holding any Union office for a period of 5 years.<sup>195</sup> Nonetheless, Local 560 continued to pay him \$25,000 annually and while his "deferred compensation fund" was still worth \$98,785 at the end of 1974, Tony Pro went back on the Local's payroll the next year when his statutory period of Union exile ended.

In addition to making provision for his own direct remuneration, Tony Pro evidently created a "Local 560 Officers and Business Agents Deferred Service Payment Fund".<sup>196</sup> The existence of that fund first became known in 1963 when Local 560 filed its LM-2 report for the preceding year. That report showed that the fund was then on deposit at the Hudson City National Bank and was worth \$93,818. Throughout the 1960s, Local 560 poured large sums of money into what it vaguely described under the heading, "Bank and Welfare".<sup>197</sup> In 1971, the Local

<sup>194</sup>This phenomenon might also account for the fact that Atlanta Teamster official, R.C. Cook, received a salary increase from \$32,203 to \$50,541 the year immediately prior to his retirement.

<sup>195</sup>See 29 U.S.C. 504.

<sup>196</sup>Once again, the Local has never divulged either to its members or to the government in a financial report exactly for whose benefit this fund was intended, what amounts have been paid from it, and of course to whom.

<sup>197</sup>For example, in 1962 the Local reported expenditures under this general heading of \$79,802; in 1963, \$79,907; and 1964, \$54,323; and in 1965, \$48,851. Because the heading, "Bank and Welfare", is so vague, PROD had no way of knowing whether it referred to just the Hudson Bank Deferred Service Fund or to that fund as well as some other welfare fund. Between 1966 and



transferred this fund to the Garden State National Bank under an account it described as the "Officers and Employees Severance Pay Plan".<sup>198</sup> The purpose and value of this fund, and those for whose benefit it is intended, remain a mystery.

1970, Local 560 reported making major payments only into an unspecified "welfare fund". It was during these years that Tony Pro was incarcerated.

It is reasonable to conclude that the Local 560 rank and file have no knowledge whatsoever of the existence of these funds much less how much principal there is in the fund or funds and who draws, or is eligible to draw that money. The U.S. Department of Labor has failed to require Local 560 to fully report this information. It is possible that two business agents may, for example, have received sizable "severance payments" while in jail in recognition for their former services and loyalty. Salvatore Briguglio went to prison for counterfeiting, a charge that was originally filed against Salvatore Provenzano. Some say that Briguglio took the "fall" for Provenzano, currently an IBT Vice-President whom Fitzsimmons brought in to replace Tony Pro when he went to prison. Another business agent is Steven Andretta, an individual who has figured prominently in the investigation of Hoffa's disappearance.

<sup>198</sup>The amounts the Union reported contributing into this account are: 1971-\$11,942, 1972-\$77,164, 1973-\$51,619, and 1974-\$55,043.

## CHAPTER 10

### Pension and Welfare Funds: Further Sources for Enrichment

The AFL-CIO Code of Ethics explicitly forbids salaried officials of its member unions from accepting any additional compensation for managing union funds since "such service should be regarded as one of the functions expected to be performed by them in the normal course of their duties . . . ." Teamster officials are restrained by no such code of ethics, and a substantial number of them appear to regard pension and welfare funds as an attractive opportunity for enrichment. In this Chapter, we will present a number of cases where Teamster officers are profiting from such funds by drawing additional salaries or paying themselves lavish fees. We make no effort here to address, however, the subject of misuse of funds — a topic which deserves separate treatment.<sup>199</sup>

The model bylaws adopted by most Teamster organizations contain a provision authorizing officials to create trust funds "to provide benefits for members or their beneficiaries." Given this authority, a number of officers have set up pension and/or health and welfare trust funds, and in most instances they have appointed themselves to remunerative positions in the funds. As entirely separate legal entities — apart from the Union — the Teamster membership has no direct control over these trust funds, the way they are managed and their funds invested, or the salaries or fees they pay. Indeed, the rank and file frequently are not even aware that their officers are also trustees, administrators, or employees of such funds, much less that they are deriving additional income from the funds. The reason, once again, is because this information is not required by the Department of Labor to be reported by their officers in one place. Instead, this type of information has been reported by the funds, themselves, directly to the Department of Labor on D-2 forms, and it does not show up on the Local Unions' LM-2 reports which members can examine at their Union halls.<sup>200</sup>

<sup>199</sup>These funds are set up in trusts which are legal entities in and of themselves, totally apart from the Union which is the subject of this Report. Misuse of trust funds, kickbacks, unsecured loans to corrupt businessmen at extraordinarily low interest rates, etc., have been widely attributed to various Teamster officials and joint Teamster-employer funds such as the Central States Pension Fund See e.g. *Wall Street Journal*, July 22-24, 1975. This is an entire and separate subject which we do not attempt to present herein.

<sup>200</sup>Similarly, since Joint Councils and Conferences and other Teamster organizations file totally separate LM-2 reports with the Department of Labor, and since these reports are not available at the Local Union hall even though the Local official may also be an officer in other organizations, the rank and file who periodically "elect" these officials simply are not customarily aware how much money they are paying them in one fashion or another.

Who are some Teamster officials who are drawing additional salaries or fees from pension or health and welfare trust funds? In Chapter 7 (*Cleveland Connection*) for example, we saw that John Rusnak augmented the \$26,148 salary he received for serving as a Local Trustee of Jackie Presser's Local 507 with another \$24,000 for serving as "administrator" of the Local's health and welfare fund. John Trunzo supplemented his union salaries with an additional \$24,700 salary for serving as "administrator" of Presser's Local 507 pension fund. The three top officers in another Cleveland Local (407), Thomas Lee, John Tanski and Cecil Kinney also sit as trustees of the "Local 407 Insurance Fund". During 1973, they each paid themselves a \$5,416 trustees' fee which they increased the following year to \$11,250.

A number of New York State Teamster officials also do very well by their Local trust funds. Utica Teamster boss Rocco dePerno drew nearly \$20,000 in allowances and expenses from the various funds affiliated with his 3,000-member Local 182 on top of the \$46,216 salary he received directly from the Local and the \$30,897 he received from Fitzsimmons for serving as a General Organizer. Down in New York City, Local 805 president Abe Gordon supplemented his \$26,000 salary in 1974 from that 3,000-member Local with an additional \$32,000 which he drew from the Local's health and pension funds for serving as the "administrator".

Across town, the Crapanzano family dominates another small Teamster Local 27 and profits handsomely from its two pension funds. The senior Crapanzano, Patsy, serves as the secretary-treasurer of the Local; his son Robert is the president; his wife Marie is the recording secretary; and another son Patrick is a business agent. Patsy, Robert, Marie and Patrick are all trustees of the principal pension fund which Patsy "administers". Robert administers the second fund. All together, the Crapanzano family received \$160,000 in 1974 for their various union related activities. Of this sum, nearly \$40,000 came from the two pension funds.<sup>201</sup>

Bernard Adelstein is another New York Teamster official who, we have already seen, runs more than one Local with Fitzsimmons' express permission; he also runs their various trust funds. His Union positions include: secretary-treasurer of Local 813 (2,000 members), president of Local 1034 (3,000 members), and trustee of Joint Council 16. In addition, he is both a trustee and the administrator of Local 813's Pension Fund, Insurance Trust Fund, and the Severance and Retirement Trust Fund which also covers Local 1034. Bernard's two sons, Alan and Martin, serve as trustees of the three funds to protect the

funds' beneficiaries and assure that their father's conduct meets the highest fiduciary standards. In 1974, the three Adelsteins netted a total of \$233,000 for their various Union related activities on behalf of their 5,000 members. Of this sum, \$46,200 came from the three trust funds.

The giant Central States Pension Fund, which covers a majority of the Teamsters who work in the nation's freight trucking industry, has been a particularly lucrative watering trough for a number of Teamster officials over the years. As we saw in Chapter 7, William Presser received \$28,800 from this Fund in 1974 for serving as a Union Trustee. He has since been forced to "retire" as a trustee due to his conviction for accepting illegal payments from employers in exchange for selling his members short, a crime which the lawmakers decided proved that a labor official was not worthy of the high fiduciary trust expected of a pension fund trustee.

Frank Ranney and Donald Peters are two other Central States Fund trustees who have received substantial sums from the Fund for their services. Ranney barely qualifies as a Teamster official since the only position to which he is elected by the rank and file is trustee of Milwaukee Local 200, a secure, albeit obscure, position which entails only a few days work each year and which carries with it very little responsibility or authority. Nonetheless, Ranney obviously has the confidence of high ranking International Teamsters inasmuch as he has been given positions as a General Organizer, and member of the Central States Drivers Council, in addition to his position as a Fund trustee. In 1972, Ranney received a \$15,300 allowance from the Fund. The following year that figure leaped to \$65,100. In 1974, Ranney collected a \$59,840 allowance, plus another \$16,519 in expenses from the Fund which, combined with his other Union salaries, brought his total "take" that year to over \$125,000.

As president of Teamster Local 743, the largest in the country with roughly 32,000 members, Don Peters is a very busy official. Nonetheless, he apparently devotes considerable time as a trustee of the Central States Fund which paid him \$15,000 in 1972, \$41,480 in 1973, and \$33,144 in 1974.<sup>202</sup> In this latter year, Peters also drew his full \$80,000 salary from Local 743, which together with his compensation from the Pension Fund and the \$31,000 he received from Fitzsimmons for holding the title of General Organizer pushed Peters over the \$140,000 mark in total Union disbursements in 1974.

Not only do many Teamster officials find their services to various Teamster trust funds to be rewarding, so also do a number of other

<sup>201</sup>See Chapter 14, *Profiles*, for a more detailed breakdown. Those portraits will also disclose other officials who receive fees from trust funds. See e.g. Frank deBrouse from Washington, D.C. Local 639 who received \$10,800 in 1974 for serving as a trustee of his Local's two trust funds.

<sup>202</sup>The \$33,144 figure breaks down as follows: \$27,980 in allowances, and \$5,164 in expenses. Since the Fund was paying a \$400 per diem allowance, Peters must have devoted 69 days in 1974 to Fund business or a total of at least 27% of all working days that year.



individuals who serve as consultants, lawyers and administrators.<sup>203</sup> For example, the Pressers' Ohio Drivers' Welfare Fund paid their administrator, Dayton, Ohio attorney Robert Knee, Jr. \$878,915 in fees during 1974. This sum amounted to approximately 5½% of the total assets in the fund. During 1973, this fund also gave \$191,857 in special "fees" to each of two companies owned by Allen Dorfman, Amalgamated Insurance Service Agency and Health Plan Consultants. Although Allen Dorfman was convicted of taking a \$55,000 kickback for a loan made by the Central States Pension Fund, his companies have thrived as a result of all the "consulting" business they have provided various Teamster funds. For example, Amalgamated provides various services for Teamster welfare plans including the IBT employees' Health and Welfare Fund,<sup>204</sup> Don Peters' Local 743 plan, Jackie Presser's Local 507 plan, and William Presser's Joint Council 41 plan, not to mention the Central States Health and Welfare Fund which, alone, paid Amalgamated \$3,278,206 in "service fees" during 1974. In addition, the Central States Health and Welfare Fund paid the following amounts to other Dorfman companies that year: Conference Insurance Consultants, \$373,206; Health Plan Consultants, \$413,942; and Dental Health, Inc., \$47,121.

Cleveland Locals' 407 and 545 welfare funds paid Bernard S. Goldfarb, Inc. a total of \$222,202 in 1974 for "office salary, rent, utilities, and maintenance of funds". It so happens that Bernard Goldfarb is a management labor lawyer who represents a substantial number of trucking firms in the Cleveland area. Surprisingly, the trustees of these funds have elected to headquarter their trust funds in his law offices.<sup>205</sup> By itself, this fact might not be so remarkable since the trusts are jointly administered by management, as well as union trustees.<sup>206</sup> However, as a practical matter, those who administer health funds are in daily contact with union members with various claims as well as their Local Union officials who may be assisting them to collect on their claims. It might seem a little odd that these members and the Local officials

<sup>203</sup>The former administrator of the Central States Pension Fund, Frank J. Murtha, was paid a \$66,000 salary in 1972, the last full year during which he held the post. During that year, Murtha also received \$35,145 for serving as a Fitzsimmons' General Organizer. It is interesting to note that Murtha owed the IBT \$10,000 on a note it had given him to purchase real estate at the time Fitzsimmons put him on the IBT payroll, a convenient means of facilitating repayment. Moreover, while Daniel Shannon replaced Murtha in 1973 as administrator of the Central States Pension Fund, it nonetheless continued to pay Murtha \$35,000 in 1973 and \$22,000 in 1974 for services as "retired administrator".

<sup>204</sup>This IBT fund also paid longtime Dorfman business associate, Sol C. Schwartz, \$11,216 in direct fees in 1974. Schwartz has reportedly been associated with Abe Chapman, a "consultant" whose real name is Abraham "Trigger Abe" Chapalowitz, a one-time hit man for Murder, Inc.

<sup>205</sup>The firm of Goldfarb & Reznick is located at 1825 The Illuminating Bldg., 55 Public Square, Cleveland, Ohio.

<sup>206</sup>In 1974, Goldfarb received trustee's fees of \$6,250 from the Local 293 Welfare Fund, and \$5,000 from the Local 545 Health and Welfare Fund.

should have to "consult" on such a regular basis with the law firm which represents management and is generally considered to be an adversary.

In addition to serving as a trustee and providing legal and managerial services to these Cleveland Local trust funds, Bernard Goldfarb is also one of the management or employer trustees of the Central States Pension Fund.<sup>207</sup> Serving with Goldfarb as employer trustees are Thomas J. Duffey, Herman Lueking, William Kennedy, John Spickerman, Jack Sheetz, Albert Matheson and John Murphy. Each of these men is actively involved in the day-to-day operations of truck companies which are covered by Teamster collective bargaining agreements.<sup>208</sup> The principal concern of these trucking executives is not the investment policy of the Central States Pension Fund under which their employees might some day qualify for a pension, but rather with their current costs of doing business, a substantial part of which result from Teamster collective bargaining contracts. Assuming that their Union counterparts may also desire something which they have the capacity to provide, trustee meetings afford their members a golden opportunity to arrange various mutually advantageous deals. More on this in a moment.

At first glance it would appear that except for trustee allowances or fees, the Union trustees ostensibly have nothing to gain by their positions as trustees. Presumably, the only reason they serve as trustees is because it is an honor to hold such a high fiduciary responsibility and because, as dedicated trade unionists, they welcome the opportunity to serve the Teamster rank and file in yet another capacity. In fact, there may be other reasons why Teamster officials have been eager to serve as fund trustees.

The Central States Pension Fund, along with numerous other Teamster trust funds, is unusual in that the trustees have, themselves, assumed the responsibility for making all investment decisions (e.g. select loan applicants, banks, etc.) rather than assigning this sophisticated and demanding task to professional investment experts.<sup>209</sup> As a result, the trustees are in a position to make huge sums

<sup>207</sup>In addition to his other trustee fees, Goldfarb received a \$13,420 "allowance" and \$4,053 in expenses from this Fund in 1974.

<sup>208</sup>Goldfarb represents the Cleveland Drayman Association and the Northern Ohio Motor Trucking Ass'n. Duffey is associated with the Motor Carriers Labor Advisory Council of Milwaukee. Lueking operates Lueking Transfer out of St. Louis. Kennedy runs Supreme Express and Transfer, also out of St. Louis. Spickerman was until late 1975 the Chief executive officer of Terminal Transport based in Atlanta. Murphy is head of Gateway Transportation out of La Crosse, Wisconsin. Sheetz is with the Southern Operators Ass'n. Matheson is secretary of the Michigan Motor Carriers Ass'n.

<sup>209</sup>In stark contrast is the Teamsters Western Conference Pension Fund which was an "insured plan" administered entirely by the Prudential Life Insurance Company. It is totally independent

(Con't. on following page)



of money available to their friends or business associates even though those individuals may be involved in exceptionally high risk ventures and may put up very little collateral and in spite of the fact other more secure and deserving loan applications must be rejected. The opportunity for arranging kickbacks from such individuals or businesses is always present for the trustee who pushed the loan through or for his family members, whether in the form of cash or stock, present or future. The temptations are inevitable and great in such situations.

Now, let's take a look at the trustees' balance sheet. On the surface, the Union trustees stand to gain absolutely nothing of economic value by serving as trustees except in some cases a fee or allowance. Below the surface, however, there may be opportunities to arrange kickbacks or special favors which they may seek. Theoretically, the employer trustees also have this same opportunity. However, since in the real world they are all competitors, they are much less likely to work together closely and to vote as a block than the Union trustees who are all colleagues and work together day in and day out. Therefore, the employer trustees are not really in a position to be able to arrange loans for friends. The employer trustees do, however, have their own more immediate economic concerns which stem from their labor contracts. Since the cost of labor is the single greatest cost of doing business in the trucking industry, if these men can persuade the Union trustees to "relax" some of their commitments under those contracts, the employer trustees can save their companies millions of dollars. Therefore, the *quid pro quo* is: "you give me a sweetheart contract or at least guarantee that I will not have to live up to the letter of my contract, and I will approve loans to your buddies and ask no further questions." Each has something the other wants.<sup>210</sup> When this form of collaboration occurs, the Teamster rank and file are, of course, double losers. On the one hand, those who work for the employer trustees' companies do not get what they are entitled to, and every Teamsters' pension equity is endangered when their funds are not wisely invested.

To be more specific, let us focus once again upon the Central States Pension Fund as an example. Who are the Union's trustees and what are their relationships with the employer trustees whom we have already

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of the Central States Fund. Following an interview with Einar Mohn, former Director of the Western Conference, the Oakland Tribune quoted him as saying:

"If we had a funded plan (similar to the one in Chicago) I would want it to be an irrevocable condition of the trust that the decisions on investments be made by a bank or some other financial institution, perhaps even a blue ribbon committee of financial experts . . . . I don't think a layman has any business trying to sweat out the market. Our pension fund trustees aren't qualified to make those kinds of investment decisions, and I think they'd agree with me." *Oakland Tribune*, Sept. 28, 1969.

<sup>210</sup>No doubt, the Union and employers will quickly point out that the Taft Hartley Act requires that employee trust funds be jointly administered by employer and Union trustees. However, the Act does not require the trustees to manage the funds and make the underlying investment (Con't. on following page)

identified. Due to the lack of current data, we will concentrate upon the trustees during calendar year 1974 before William Presser was ousted by the U.S. Department of Justice. In addition to Presser, the other Union trustees were Frank Fitzsimmons, Roy Williams, Joe Morgan and his lieutenant W. W. Teague, Frank Ranney, Don Peters and Robert Holmes. Morgan and Teague are out of the Southern Conference whose jurisdiction embraces Terminal Transport whose chief executive officer, Spickerman, sits with them as an employer trustee. Spickerman's executive in charge labor relations, Rudy Pulliam, sits on the opposite side of the bargaining table from both Morgan and Teague during the negotiations for the National Master Freight Agreement which are supposed to be conducted "at arm's length". Consider the fact that during the term of the 1973-1976 contract, Terminal Transport was allowed by the Southern Conference to layoff large numbers of regular employees and use "casuals" instead, a means of cutting many labor costs to the company.

The only Union trustees on the Central States Fund who do not also participate in the negotiation of the National Freight Agreement are Ranney and Peters. However, Ranney does sit on the Central States Drivers Council along with Roy Williams, Fitzsimmons, and William Presser and it is in the Central States area that the opportunities for collusion are the greatest. Because these Union officials effectively control the grievance machinery in the Central States, they can easily arrange the necessary "protection" for the companies — not members — either owned or represented by trustees Goldfarb, Murphy, Lueking, Kennedy and Duffey.

Regardless how much "hanky panky" may actually go on between Union and employer trustees of the many Teamster trust funds, the fact is that their many, nonadversarial meetings to consider investment decisions and conduct other fund business are conducive at the very least to the development of close cooperative friendships. Whatever else may be said, the principal role of a union official is to understand and represent the interests of the rank and file to whom he owes his total loyalty. The "understandings" or friendships which are nurtured over the years in the cooperative atmosphere of trustees meetings give rise to the most fundamental conflict of interests possible for a professional trade unionist.

Oddly, many high ranking Teamster officials make no effort to hide, and even flaunt their camaraderie with management officials. For example, at the much publicized Frank E. Fitzsimmons Invitational Golf

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decisions. Nor does the Act require the Union and employer trustees to be the very same individuals who are responsible for negotiating and administering contracts. These are the circumstances which pave the way for collaboration which is unique to Teamster funds. Most unions appoint outside legal counsel or other "representatives" to serve as their trustees who rarely participate in the actual process of investing the funds.



Tournament at La Costa in 1975, Fitzsimmons asked Central States Fund trustee John Murphy to join the lead party which also included Dusty Miller and Joe Trerotola. At the time, Murphy also headed Gateway Transportation, a company which has received loans from the Central States Fund, and was treasurer of the American Trucking Associations. Finally, Murphy happens to be one of the nine individuals representing management who negotiate the Master Freight Agreement covering 450,000 Teamsters.<sup>211</sup>

Of course, if the Teamsters Union were a truly democratic institution, its constituents would quickly oust any official displaying such camaraderie with their employers. The fact that many Teamster officers have been so brazen in their display of friendship toward their members' adversaries is further proof of the fact they know they cannot be held accountable to the Teamster rank and file. They are insulated by the Union constitution and bylaws. Moreover, while the membership might be inclined to mutiny under other circumstances, they are afraid for their persons and their jobs due to the form of "representation" their officials may afford them.

## **PART III**

### **THE CLEANUP — WHERE AND HOW TO BEGIN**

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<sup>211</sup>Investigative reporter Jim Drinkhall has identified some of the more congenial groupings among the 1974 tournament participants. Drinkhall reported that Fitzsimmons and Murphy teed off together with Moe Dalitz, Allen Dorfman, and Las Vegas gambling figure Ross Miller. Other Central States employer trustees (in addition to Murphy) who were present were Jack Sheetz and John Spickerman. The president of Spector Freight, Wilfrind Stanhaus, played as did Bill Wolff, the official with Youngstown Cartage who made the illegal payoffs to Fitzsimmons' Special Organizer, Roland McMaster. Alex Maislin (Maislin Transport, a big company in the East) teamed up with New Jersey Teamster bosses, Salvatore and Tony Provenzano. Rudy Pulliam (Terminal Transport) joined the party which included IBT lawyer David Uelman (Goldberg, Previant & Uelman, the Milwaukee firm which has masterminded the affairs of the IBT under Hoffa and Fitzsimmons). *Overdrive Magazine*, April 1975.

## **CHAPTER 11**

### **A Shopping List of Weaknesses and Guide to Reform**

In this Part of the Report, we will *not* make a comprehensive effort to propose solutions to each and every problem touched upon in the foregoing Parts. We will, however, attempt to recapitulate and identify certain of the more fundamental political and financial weaknesses in the Teamsters Union and offer some very general suggestions which may be considered as possible approaches to reform by those interested in undertaking the task. We stress the fact that we intend our proposals to be considered merely as suggestions — food for thought.

The principal responsibility for reforming the International Brotherhood of Teamsters must lie with the Union's rank and file. They possess four basic tools for achieving reform. In the first place, they can become more organized and active at the Local level. Corrupt or unresponsive officials who may also hold higher offices can be ousted at the Local level. The second tool available to the rank and file is their power to amend their Local bylaws. In this same category is their indirect power to amend the IBT Constitution. Currently, this can be achieved only by their Local elected officials. The third basic tool available to the rank and file is the internal union disciplinary procedure. Charges may be preferred against officials for their actions which are not in the best interests of the membership. The final basic tool the rank and file have available for remedying political and financial abuse by the Teamster leadership is the right to utilize the federal judicial system, with the aid of their own lawyers, to gain access to Union receipts and other financial data, and to prosecute offending officials who have abused the trust placed in them by the rank and file or who have violated the Union's constitution or bylaws.

A major share of the responsibility for the state of affairs in the Teamsters Union today must also, however, be borne by the executive branch of the federal government and the United States Congress. As a purely practical matter, the Teamster rank and file simply do not possess adequate information, on a regular basis, to alert them to the many problems and abuses taking place within their Union. Obtaining this information under the current laws as they are administered by the Department of Labor is arduous, if not impossible for the rank and file. Accordingly, before truly meaningful reform can get underway in the Teamsters Union, "outsiders" in the federal government will have to undertake a thorough review of the realistic problems which the Teamster rank and file will confront and either provide them with direct or indirect assistance. Direct assistance could take the form of more



aggressive investigative and law enforcement activities. Indirect assistance could take the form of insuring that the rank and file would have adequate information and legal tools to go about the task of reforming the Union themselves.

Let us proceed now to consider a shopping list of some of the more flagrant problems in the Teamsters Union which cry out for solutions. In constructing our list of problems and possible approaches to remedying them, we will group them in the same two categories, namely political and financial, in which they were presented in the foregoing Parts of this Report. Our treatment will be necessarily abbreviated. The problems are frequently very complex and interrelated. Constructing solutions to these problems which will not create their own problems or seriously weaken the Union is a demanding chore which will require both vision and technical expertise.<sup>212</sup>

### **Political Weaknesses and Suggested Remedies**

Since, as we discovered in Part I of this Report, the International Brotherhood of Teamsters and its leadership may accurately be described as "the tail which wags the dog," let us begin our list, and concentrate upon the political structure of the IBT.

**1. The General Executive Board functions as a rubber stamp to approve the actions of the General President and Secretary-Treasurer. The Vice-Presidents owe their primary allegiance to the General President. The Vice-Presidents are not inclined to exercise independent judgment. The General Executive Board does not, therefore, function as the principal governing body of the IBT.**

An underlying reason for this phenomenon is the fact that the Vice-Presidents are elected "at large" by every delegate to the International Convention. Because the Union is composed of such a large number of members working in diverse industries, convention delegates have no way of judging the qualifications of candidates for Vice-President. The Vice-Presidents are accountable to no specific constituency of members within the Union. This problem could easily be corrected if the Vice-Presidents were in fact elected by the rank and file within specific segments of the Union, divided either along geographic, or particular industry or craft lines. The Vice-Presidents would accordingly be accountable to the membership in their particular constituencies. By the same token, they would not be dependent on the General President for their office, and would accordingly be able to exercise independent judgment. Votes on particular kinds of subjects or issues during Executive Board meetings should be recorded and

published so that the Vice-Presidents' constituents could appraise their representatives' actions on the governing board of the International Union.

**2. The delegates to International conventions do not necessarily represent the interests or will of the Union's rank and file.**

In the first place, a number of delegates who vote on such sensitive and key matters as amendments to the Constitution are representatives from Joint Councils, Conferences, and the International (organizers and auditors). These individuals are inclined to vote their own individual, or Union institutional interests, rather than the interests of the Union membership. They should not be entitled to attend the convention as delegates.

The bulk of the delegates are Local union officials. These individuals were elected by the rank and file up to several years before the convention, not on a platform which addressed the fundamental constitutional issues involving the International Union, but rather on a platform addressing either their prior performance, or their promised approach to the process of negotiating and administering collective bargaining agreements covering the Local membership. Local union officials should not be entitled automatically to attend International conventions as delegates. Rather, special elections should be held a short time before the convention so that the rank and file may select the delegates they wish to represent them during the International convention. Some might argue that delegates who have not served as Union officials will not know enough about the business of running a union to pass judgment on fundamental questions which affect the running of the International Union. This argument has no merit for many reasons. The most simple answer is, however, that if a Local union official could win one election, he should presumably be able to win another. To the extent that the Union's rank and file should send a number of delegates who are not serving in Local union office, the convention will become a considerably more independent, supreme governing body. Non-officer delegates would not confront the prospect of internal union reprisals from a disgruntled IBT leadership. They would arrive at the convention without any of the conflicts of interest which can compromise Local officials. They would not have been on the receiving end of a steady stream of benefits, favors or privileges from the Union's principal leadership over the years.

**3. Convention delegates are unable to ascertain the sentiments of the Union's rank and file on issues they will be required to vote upon during the convention. Neither candidates, nor matters of convention business, are announced prior to the commencement of convention proceedings.**

This should be changed, particularly if there should be special elections for delegates prior to conventions. Individuals seeking to

<sup>212</sup>The PROD staff will be available to anyone who wishes to discuss such matters generally, or to obtain technical assistance in drafting desired amendments to the Constitution or any bylaws.



represent the Union's rank and file at conventions should be able to develop platforms addressing the basic issues which will arise during the convention proceedings and declare their position on those issues. In the first place, if the Vice-Presidents have already been elected by their geographic or trade divisions, the only officers who would be elected during the International convention would be the General President and Secretary-Treasurer, and the three International trustees. New eligibility rules should be established for determining who may run for these offices. For example, any Vice-President might be eligible to run without facing the prospect of losing his Vice-Presidency in the event he should not succeed. Other individuals accumulating a certain number of signatures on a petition might also be eligible to run. As in national and state politics, all candidates would have to declare their candidacies in advance of the convention. So too would all proposed amendments to the Constitution have to be announced in advance. Candidates should thereafter be guaranteed a certain amount of space in the *International Teamster* magazine to describe their qualifications and declare their positions on issues affecting the International Union. Proposed amendments should also be published in the magazine. Thereafter, during elections for the many delegates to the International convention, the sentiments of the Union's rank and file with respect to these candidates and proposed amendments could be expressed. In this fashion, the rank and file could effect its will upon, and once again gain some degree of meaningful control over, the International Union and its chief executive officers.

**4. The rank and file have no way of knowing how their delegates voted on issues and candidates during the IBT conventions.**

If the International Brotherhood of Teamsters and its principal officials are to be made accountable to the Union membership in any way whatsoever, then the intermediaries, namely the delegates to the IBT conventions, must first be made to be accountable to the Union's rank and file. Accountability could be achieved in two ways. One, only those delegates who reflect the will of the majority of the Union's members would be sent to the convention were there elections for delegates prior to the convention. Secondly, where the votes which the delegates cast during the convention are a matter of public record, the rank and file can assure themselves that indeed their delegates did vote as they would have themselves. While it may be too late after a convention to change a delegate's vote, at the very least the Union's rank and file can express their displeasure by evicting him from office during the next local election in the event that the delegate was an officeholder.

**5. Teamster Locals do not have proportionate representation on Joint Councils and Conferences which accordingly are not representative Union organizations.**

Each Local is entitled to send the same number of representatives to Joint Council and Conference conventions as every other Local within the jurisdiction of these "supervisory" organizational units in the Union's hierarchy despite the fact some Locals may only represent a few hundred members and others may represent many thousands. Nonetheless, these Teamster organizations have the power to tax the Locals on a per capita basis. Such taxation should occur only where there is equal representation. Locals should be entitled to send a number of delegates to Joint Councils and Conferences which is proportionate to the size of the Local.

**6. Internal Union discipline is a one way street. The disciplinary procedures permit officers to squelch dissent among the rank and file. The membership lacks a meaningful procedure for disciplining corrupt officials. The power of the General President to mete out discipline is excessive.**

There can be no doubt that disciplinary procedures are an important ingredient in a successful labor organization. Principal officers need to be able to discipline either members or subordinate union officials who jeopardize the union's legal commitments or expose it to lawsuits which might result in substantial damage awards. Both officials and members need to be able to discipline those officers who abuse the fiduciary trust vested in them by the rank and file.

In the Teamsters Union, disciplinary procedures can only be used successfully by officers to punish members, not by members seeking to hold an official in line. Indeed, judging from the list of punishable offenses, the procedures appear almost to have been designed to intimidate the rank and file and any political adversaries of the Teamster leadership. Under no circumstances should disciplinary procedures operate to squelch dissent or political opposition. Teamster disciplinary procedures need to be overhauled so they cannot function as a political weapon. While such procedures may need to be strong and effective, they must also be fair and impartial. Examples of some needed changes follow.

The grounds upon which the General President can throw a Local or Joint Council into trusteeship need to be spelled out in detail. Trusteeships should automatically lift within 6 months during which time new elections should be run. Union charters should not be revoked except following hearings and the issuance of a written statement of reasons pursuant to procedures similar to those used when imposing trusteeships. The negotiation of sweetheart contracts should be grounds for discipline of an officer and/or imposition of trusteeship



permitting the Union to abrogate the invalid contract. Any substandard contract must be approved in writing by the General President and all contracts must be submitted to the membership covered by those contracts.<sup>213</sup>

**7. Eligibility requirements for holding Union office are in most instances so strict that only a very small percent of the Union membership is entitled to run for office. These requirements frequently preclude the more talented members from opposing unresponsive incumbents.**

Teamster bylaws generally require a member to have been a member of the particular organization in which he is running for office for a period of years and to have attended 50% of the membership meetings of the organization. Such requirements do not appear to have been designed to insure that only competent members would qualify to run for office. On the contrary, they generally operate to disqualify most potential opponents of incumbent Teamster officials. These overly strict requirements should be substantially modified and generally overhauled.

### **Financial Weaknesses and Suggested Remedies**

The financial disclosure requirements of the U.S. Department of Labor are woefully inadequate. Without information, the rank and file have no way of knowing whether or not a problem even exists. Not only do they need to be able to identify problems or areas of financial abuse

<sup>213</sup>Art. XII, Sec. 1, and Art. XVI, Sec. 4 of the IBT Constitution do purport to require rank and file approval of all contracts by a majority vote. As a matter of fact, however, most sweetheart contracts somehow escape these ratification requirements. Union officials eager to execute such agreements frequently claim that they are simply contract amendments or riders which do not require submission for rank and file approval.

Moreover, while the Constitution appears to require majority approval of contracts, Union officials can claim approval where only one-third vote their approval by claiming that the contract constitutes the employer's "final offer" and by tying the vote to reject the offer with a vote to strike. Strikes require a two-thirds authorization. In the absence of a successful strike vote, Union officials proceed to execute the contract.

The single largest collective bargaining agreement negotiated by the Teamster Union — the National Freight Agreement — is not in fact a single contract, but rather a collection of some 32 significantly different agreements under a single "umbrella" agreement containing generally inconsequential provisions. Rather than offering each of the 32 separate agreements to just those members covered by them, the IBT provides every member employed in the freight-trucking industry in the entire country with the same ballot asking them whether they approve or disapprove of the National "umbrella" Agreement and their Supplemental Agreements. Under this method of voting, members are not voting upon just their own contract; instead, they are voting upon everyone's contracts even though they have no idea whatsoever what are contained in those contracts. While members covered by certain contracts may vote overwhelmingly to reject their agreements, the Union will still execute the contracts and force the members to live under what they consider to be totally unacceptable and offensive contracts if an absolute majority of all voting members vote to approve their contracts.

These procedures which permit the Union Leadership to execute substandard and highly unpopular collective bargaining contracts should be reformed. It is not only in the best interests of the members, but also the Union and the public. Otherwise, there will be, sooner or later, some reaction by the members to their state of involuntary, contractual servitude.

by their officials, the rank and file need to know exactly what the dimensions of the problem are so that they will be able to tailor an appropriate solution. *The lack of adequate reporting requirements is the threshold problem.*

**8. On the subject of salaries, it appears that many Teamster officials believe that the sky is the limit. Exceedingly large incomes are amassed through a process of holding multiple union jobs and collecting multiple salaries from different organizational entities in the Union's hierarchy and also from various Union trust funds.**

A) Government Assistance. Mandatory financial disclosure by all individual union officials of their gross receipts from all union sources, together with a breakdown of those receipts, would not by itself eliminate the problem. It would, however, give the Union's rank and file sufficient information to address the problem where it exists. Currently, officials do not themselves report their earnings. Rather, the various organizational entities which contribute to their income must report how much they are compensating their employees and officials each year. However, because of the fact Teamster officials frequently hold office in many different Teamster organizations, the membership has no way of determining how much the individual may be grossing from all union sources without making a systematic survey of many hundreds of Union LM-2 and D-2 reports. The Department of Labor should revise their reporting requirements to require that each elected official of any union entity prepare and attach a certified statement of his full earnings from all union (including trust fund) sources during the given calendar year as an addendum to the LM-2 reports filed by every organization in which he is an officer. Such a reporting requirement would, at the very least, permit the rank and file to learn readily how much they are actually paying their officials.

This relief would not directly remedy the problem of excessive, multiple salaries. It would simply enable the rank and file to measure and perhaps remedy the problem on its own.

B) An Internal Union Solution. One possible remedy to the problem of multiple salaries would be for the rank and file and their delegates to amend the IBT Constitution to impose ceilings upon salaries from all union sources, including trust funds. Ceilings would eliminate the incentive to "collect" titles and salaries. In addition to conserving Union funds, this remedy would also discourage officers from taking on jobs they have inadequate time to faithfully perform. As a result, the officials might simply concentrate upon performing a superior job in just one or two capacities. A sliding salary scale could be made a part of the Constitution. For example, the General President's salary might be set at \$100,000; the Secretary-Treasurer's salary could be limited to \$75,000. The ceiling upon a Vice-President's salary might be set at



\$60,000, Joint Council presidents might be limited to \$50,000 from all Union sources, etc.

**9. One device frequently used by Teamster officials to jack up their income is the "allowance".**

This category of remuneration should simply be abolished from the Teamster vocabulary. Without question, Teamster officials should be paid fair salaries and the Union as a whole can easily afford to pay all of its officers adequate salaries. Beyond these salaries, there is absolutely no need for further remuneration under the disguise of an "allowance". To the extent officials may incur expenses which are both reasonable and necessary to promote legitimate Union objectives, then they should be fully reimbursed for such "expenses". *Salary* and *expenses* are the only necessary words in the Teamster financial vocabulary. While the Union has sought to describe allowances as a form of reimbursement for expenses theoretically incurred by officers who must travel a great deal, much of this money is never spent and it simply ends up in their officials' pockets. The rank and file should be willing to cover all reasonable expenses (not including luxury apartments, first class air fare, and lavish entertainment expenses) for which receipts are presented. That is all that is necessary, and that is all that should be paid. Unlimited travel accounts to cover personal, as well as Union trips result in totally unjustifiable waste of Union resources.

**10. Another form of unjust enrichment some Teamster officials enjoy is the occasional "gift" of a car, luxury apartment, cash, etc.**

Like the allowance, the term "gift" should be abolished from the Teamster vocabulary. Gifts to Union officials out of Union treasuries should be prohibited by the IBT Constitution and all Union bylaws. If fellow officers and members should think enough of a retiring official, then let them pass the hat. At the very most, the treasury should not be taxed for any gift which is more than a token of respect and appreciation (e.g. an engraved watch).

**11. The term "organizer" is frequently just an honorary title which permits its holder to collect a sizable salary in addition to whatever remuneration he is already receiving for performing other full-time, elected Union jobs.**

Organizer jobs are not elective; rather, they are appointive. Teamster organizers should therefore be considered to be full-time employees of the elected Union officials who appointed or hired them. Organizers should be professionals who render valuable services to the Union. In addition to organizing unrepresented workers, organizers might also function as advisors or counsellors either directly to the officials who hired them, or to subordinate Union officials and members. There is no need for there to be an overlap between elected officials and

organizers. Organizers should not hold any elective positions which might detract from their ability to serve as full-time organizers. To the extent that elected officials are supposed to serve the rank and file who elected them and should owe their only loyalty to their Union member-constituents, a serious conflict of interest arises when they accept an appointive organizer job and must "report" to the official who hired them instead.

**12. Severance and deferred compensation funds operate to immunize Teamster officials from their members.**

It is one thing for the many, various Teamster organizations to provide their employees and elected officials with pension plans and disability insurance in addition to their salaries and expenses. It is an entirely different matter to award them with sizable, and in some cases huge, lump-sum payments when they leave their Union positions — even as a result of their being voted out of office. Severance and deferred compensation plans should be banned by the Union's Constitution and all bylaws. All existing plans should be abolished and their funds should revert to the treasuries of the organizations which theoretically created the plans and which have funded them over the years.

Severance funds operate to erode union democracy. When the financial impact of being voted out of office is softened to the point it may make very little difference to an official whether he should survive any particular election, his incentive to represent his member-constituents is undermined. Yet, *representation* is what trade unionism is all about! A union which is structured so that its elected officers can forget what its members need is a union which has ceased to perform the role for which it was created.

At the very most, Teamster organizations might wish to provide defeated officials with a month's salary to tide them over while they locate other employment. Any additional remuneration is excessive and totally unwarranted.

**13. Union officials who both negotiate and administer collective bargaining contracts on behalf of their members and who also sit as trustees on Teamster pension or health and welfare funds may be confronted with tempting opportunities for wheeling and dealing with employers and for arranging kickbacks for themselves.**

Since these opportunities arise primarily where the trustees actually make investment decisions, one obvious solution would be to amend the IBT Constitution and all organizational bylaws to prohibit any Union official from serving as a trustee on any trust fund where these circumstances pertain. The ideal solution would be for the Union to select "outside" trustees to represent their member-beneficiaries' interests on the joint union-employer boards of trustees. However, in



lieu of bringing in outsiders with impeccable credentials, the Union trustees should at the very least be required to relinquish all responsibility for making investment decisions to skilled professionals. Their roles should be limited to the normal role of a trustee who only participates in making the very general decisions in his capacity as an overall supervisor of the fund management.

## CHAPTER 12

### The Landrum-Griffin Act — A Potentially Powerful Tool for Reform

When enacting the Landrum-Griffin Act in 1959, the United States Congress offered the following declaration of findings, purposes, and policy:

... it is essential that labor organizations ... and their officials adhere to the highest standards of responsibility and ethical conduct in administering the affairs of their organizations ...

... from recent investigations ... it appears that there have been a number of instances of breach of trust, corruption, disregard of the rights of individual employees, and other failures to observe high standards of responsibility and ethical conduct which require further and supplementary legislation that will afford necessary protection of the rights and interests of employees and the public generally as they relate to the activities of labor organizations ...

The Congress, therefore, further finds and declares that the enactment of this chapter is necessary to eliminate or prevent improper practices on the part of labor organizations ... and their officers and representatives ...

[29 U.S.C. 401]

Seventeen years later — in 1976 — it does not appear that the Congress succeeded in its mission, at least insofar as it related to the Teamsters Union. Part of the reason for failure lies in the weakness of the statute, itself. A large part of the blame must however be borne by the federal government, particularly the Department of Labor which has simply refused or failed to fully implement and aggressively enforce the statute. Finally, a very small portion of the blame must be shouldered by the Teamster rank and file for not having utilized the legal tools provided in the statute to reform their Union and hold its officials to "the highest standards of responsibility and ethical conduct."

It must be recognized, however, that working Teamsters are not lawyers. Despite the statutory requirement that all unions educate their members about their legal rights under the statute,<sup>214</sup> most Teamsters are totally unaware of their rights. Indeed, while the statute does require that unions provide their members with copies of their collective

<sup>214</sup>See 29 U.S.C. 415 which provides: "Every labor organization shall inform its members concerning the provisions of this chapter." We know of no effort by the International Brotherhood of Teamsters to comply with this provision.

bargaining agreements, there is no requirement that they provide their members with copies of their constitutions and bylaws.<sup>215</sup> Very few Teamsters have copies of the IBT Constitution or bylaws of their Local, Joint Council or Conference. Thus, despite all of the disclosure requirements in the Landrum-Griffin Act, the Teamster rank and file do not in fact have meaningful access to the information which they would need to have before they could be expected to utilize the legal tools provided in the Act.

We will not attempt a thorough discourse of the Landrum-Griffin Act in this Chapter. For those who are interested in a more complete explanation of the law, this information is already available and may be obtained from a number of sources.<sup>216</sup> However, we will attempt to list and discuss very briefly a number of the members' rights under the Act and how they can go about securing their rights and holding their officers accountable at law.

### **A Union Member's Rights<sup>217</sup>**

1. All members must have equal rights and privileges with all other members within the Union. They must be guaranteed equal voting rights in particular.
2. All members have an almost unqualified right to assemble with other members and to speak freely even where their speech (written or verbal) is highly critical of their Union officials.
3. All members have a right to vote by secret ballot for all Local dues increases.
4. All members have a right to institute legal proceedings to secure these and other statutory rights without any interference or disciplinary

<sup>215</sup>Compare 29 U.S.C. 414 and 431. All unions are supposed to permit their members to examine copies of their constitutions and bylaws upon request. There is, however, a big difference between actually providing each and every member with a copy and merely making one available for his examination at the union hall. In fact, many Teamster organizations refuse even to give their members this access to their bylaws.

<sup>216</sup>In its Newsletter to members, PROD from time to time analyzes different portions of the Act and how to go about using them to secure members' rights vis a vis the Teamsters Union. The Association for Union Democracy has also assembled a series of very useful documents explaining the law. Inquiries may be addressed to the Association at 215 Park Avenue South, New York, N.Y. 10003. Finally, the Department of Labor has published several booklets describing union members' rights and their officials' duties under this and other laws, including the recent Pension Reform Act (ERISA). They may be obtained by writing to: U.S. Department of Labor, Labor-Management Services Administration, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

<sup>217</sup>The Landrum-Griffin Act also contains two entire chapters dealing solely with trusteeships and elections of officers. We do not touch upon either of these two chapters in this Report. The member rights discussed in this Chapter attach also to Union officials. Generally speaking, they too are privileged to exercise all of these rights in meetings and proceedings before Joint Councils, Conferences and the IBT and to obtain enforcement against higher officials infringing their rights.

action from the Union. Before instituting legal actions, members may be required to exhaust *reasonable* internal Union procedures. Where the Union Constitution or bylaws do not provide for reasonable procedures to obtain redress, or where 4 months have elapsed after attempting to use available procedures, members may go directly into court. The Union or its officers may be required to pay the member's attorney fees where he prevails in demonstrating that his statutory rights were infringed.

5. All members are entitled to receive a copy of their collective bargaining agreements. If the Union should fail or refuse to provide them with a copy, the Department of Labor is supposed to intervene and force the Union to provide them with copies. Any refusal to provide copies of contracts must be reported to the U.S. Department of Labor.

6. Every Teamster organizational entity (Locals, Joint Councils, Conferences, etc.) is required by law to have bylaws which govern the operation of the organization and spell out their officials' rights and responsibilities. All members are entitled to examine copies of the IBT Constitution and their Local bylaws at their Union hall. Copies of the Joint Council and Conference bylaws may be available only at their headquarters although they might also be available at the Local. Members may request copies of these legal, governing instruments either from the Union or from the Department of Labor.<sup>218</sup> The Union is not obliged to provide members with their own copies; the Department of Labor may charge a fee to copy the document.

7. Every Teamster organizational entity must also file an annual financial statement with the U.S. Department of Labor and make copies of these statements available for examination by their members at the organization's principal office. If, after examining any of these financial statements, a member should discover any entry which raises his suspicions or any failure to provide required information, he is entitled to examine the Union's actual books, accounts, records and receipts which the Union is required to retain for a minimum of 5 years and to make available to the member. If the Union should refuse the member access to this financial "raw" material, he is entitled to secure, with the aid of a lawyer, a court order compelling the Union to open its books. Whenever a member is forced to obtain such a court order, the Union or its officers will be required to pay his attorney fees. Members seeking to evaluate the accuracy of Union books who are not, themselves, knowledgeable of financial accounting principles would be well advised to secure the assistance of either a lawyer or accountant when

<sup>218</sup>All requests for information or copies of Union legal documents and financial statements from the Department of Labor should be addressed to:

U.S. Department of Labor  
Labor-Management Services Administration  
200 Constitution Ave., N.W.  
Washington, D.C. 20210



examining these financial statements. Students or faculty at nearby universities might be solicited to provide this assistance either gratuitously or for a nominal sum. The information developed during these investigations may prove to be very valuable in pursuing charges against officers for breach of fiduciary duties.

8. Members are entitled to utilize the courts to sue Union officials who have breached their fiduciary duty in order to recover damages or secure an accounting or other appropriate relief for the benefit of the rank and file. Before instituting such suits, members or officers are generally required first to attempt to obtain redress through internal Union disciplinary procedures. Where such an attempt would be futile, or where the Union has ruled adversely on the member's charges or has failed to take action within four months, the members may go directly to court. All costs of litigating, including attorney's fees, will generally be awarded to successful rank and file litigants.

What is this fiduciary duty which Union officials may have breached? Let us look to the language of the statute:

The officers, agents . . . and other representatives of a labor organization occupy positions of trust in relation to such organization and its members as a group. It is, therefore, the duty of each such person . . . to hold its money and property solely for the benefit of the organization and its members and to manage, invest, and expend the same in accordance with its constitution and bylaws . . . to refrain from dealing with such organization as an adverse party or in behalf of an adverse party in any matter connected with his duties and from holding or acquiring any pecuniary or personal interest which conflicts with the interests of such organization . . .

[29 U.S.C. 501(a)]

O.K. What does all this language mean? In the first place, it means that an officer cannot put his hand in the Union till. It also forbids an official from spending excessive amounts of money on unjustifiable expenses which primarily benefit himself personally, rather than the rank and file generally. It also means that the official cannot violate the Union's Constitution or bylaws even when he may personally derive no special benefit by his violative conduct. In other words, the fiduciary duty may be violated even though there is no money involved.

On the other hand, if the Constitution or bylaws purport to sanction some forms of conduct by officials which are not truly in the best interests of the Teamster membership, or if some Executive Board should attempt to ratify, and thereby make lawful, some conduct by an officer which is not in the best interests of the membership, the conduct still constitutes a breach of fiduciary duty which is punishable in the courts. Such exculpatory language in the Union's governing instruments or by its governing bodies is simply void. It should not

discourage Teamsters from bringing otherwise valid suits under this provision.

The fiduciary duty also forbids Union officials from engaging in any activities or undertaking any commitments which would create conflicts of interest which might impinge upon their undivided loyalty to their members or weaken their incentives to represent their members' best interests. Officials are prohibited from accepting any benefits or favors from employers or their agents. Blatant sweetheart contracts certain Teamster officials have executed with some companies may well be indicators that they are returning favors. Union officials and their family members may not own stock or any other interest in any company that employs any of their members. This principle applies equally where the company does not actually employ their members but where Teamsters may indirectly be affected by its economic welfare. As a general matter, Union officials may not use Union funds to make loans either to Teamster employers or their companies, or to other Union officers. Nor may Union officials use Union funds to pay for any fines or costs of legal representation when they are found to have violated their duties under the Act.

In certain instances where Union members may have been successful in their lawsuits in prying out information which demonstrates that their officials have intentionally violated their duties under the Act, this same information may subsequently be used by federal prosecutors to obtain criminal convictions of the officials. For example, filing false information or deliberately omitting information from the LM-2 reports is a criminal offense. Evidence of this type of offense can be gathered by members when seeking to verify the information in the LM-2 reports by examining Union accounts, books and receipts. Such evidence should be made available to federal authorities whether or not the member goes forward with his own suit for breach of fiduciary duty. The effect of a criminal conviction is to bar the guilty official from holding any union office whatsoever for a period of five years following his conviction or release from prison.<sup>219</sup>

<sup>219</sup>One of the most glaring deficiencies in the current law is that it does not bar from office those union officials who have been found guilty of taking illegal payments from employers. Clearly, the omission of this particular offense from the list of offenses which prohibit individuals from holding union office is a serious oversight. Accepting an illegal employer payment is one of the most serious crimes a union official can commit against his members.

PROD uncovered several examples of Teamster officials who have been found guilty of accepting illegal payments from employers, yet these individuals were allowed by the Union leadership to continue, and even expand their influence in the Union. See Part IV profiles of T.R. Cozza, William Presser, Rolland McMaster, Donald Gillette and Eli Schutzer. Even were the Teamster rank and file successful in voting these and other officials who make sweetheart arrangements with management out of office, they could still be "appointed" to fill various Union positions and continue to wield their influence — possibly even over the individuals elected by the rank and file to replace them. Those union officials who voluntarily accept illegal employer payments compromise themselves as employee representatives so entirely that they should not be permitted to continue to hold any union office.

Finally, it must be stressed that any member or officer who utilizes these provisions to prosecute a Teamster official for wrongdoing cannot be disciplined or subjected to any form of discrimination whatsoever by the Union. Moreover, it is a crime to use force or violence, or even just to threaten the use of force or violence to attempt to intimidate any Union member or to interfere or prevent him from exercising any of his rights under the Landrum-Griffin Act. Any act by anyone whosoever, whether a Union official or his "muscle", or even some company official, which threatens a member seeking to exercise a right to which he is entitled under the Act should be reported at once to local FBI agents, the United States Attorney and to the U.S. Department of Justice, Labor Section, Criminal Division, Washington, D.C. 20530. All three should be notified.

## **PART IV**

### **PROFILES OF TOP TEAMSTER OFFICIALS**



## CHAPTER 13

### International Officers: How Much Do They Make?

Chapter 13 consists of a series of individual profiles containing chiefly financial information about the Union's General President, General Secretary-Treasurer, fifteen Vice-Presidents and three Trustees. The Chapter first discusses Frank Fitzsimmons then recently retired General Secretary-Treasurer Dusty Miller and his successor Ray Schoessling, followed by the fifteen International Vice-Presidents in order of their seniority and the three International Trustees. Chapter 14 contains similar, although generally less detailed profiles of nearly 200 other Teamster officials in alphabetical order. All figures are reproduced exactly as the Union listed them on reports filed with the Department of Labor except that PROD rounded off figures to the lowest dollar by dropping all references to "cents". The same categories of disbursements, Salary, Allowances, Expenses, Other and Total, as appear on Schedule 8 and Schedule 9 of the LM-2 form are used throughout Part IV.

The following abbreviations are used throughout Part IV:

#### Divisions of the Union

IBT — the International  
ECT — Eastern Conference of Teamsters  
SCT — Southern Conference of Teamsters  
CCT — Central Conference of Teamsters  
WCT — Western Conference of Teamsters  
OCT — Ohio Conference of Teamsters

JC — Joint Council  
LU — Local Union  
Conf — Conference  
Pol Cee — Policy Committee

#### Offices and Positions

Pres — President  
VP — Vice-President  
R/Sec — Recording Secretary  
S/T — Secretary-Treasurer  
Tee — Trustee  
BA — Business Agent  
Org — Organizer  
Rep — Representative  
Adm — Administrator  
AA — Administrative Assistant  
Chm'n — Chairman  
Int Aud — International Auditor  
Gen Org — General Organizer

**Frank Fitzsimmons**  
**Washington, D.C.**  
**General President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Gen Pres	125,000	2,737	5,602	\$133,339

Comments: The International also reported that Mr. Fitzsimmons received the private use of a 1974 Lincoln which cost \$987 to operate in 1974 as well as the use of a home in Bethesda, Maryland which the Teamsters estimated to have a yearly rental value of \$8,292 in 1974.

It was impossible to determine what the \$5,602 expense figure on the LM-2 actually represents since the Union did not break it down further. The IBT Constitution authorizes the General Executive Board to pay for all the expenses of the General President as well as any costs he incurs in his unlimited travels. Many of these expenses may be reported elsewhere on the LM-2 form. See generally, Chapter 8.

Although Frank Fitzsimmons has been a trustee of the Central States Pension Fund for many years, the Fund has not reported disbursing any allowances or expenses to him for the past three years, while other trustees, such as Frank Ranney and William Presser are listed as receiving substantial sums of money. PROD's inquiries to the Department of Labor on this matter have not been answered by the Department of Labor.

**Murray W. "Dusty" Miller**  
**Washington, D.C.**  
**General Secretary-Treasurer (Retired)**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1970	IBT	VP, Conf Chm'n	47,916	7,162	1,068	—	56,147
1970	SCT	Chm'n Pol Cee	32,874	—	—	—	32,874
1970	Texas Conf	—gift—	—	—	—	2,720	2,720
1970	TOTAL						\$ 91,741
1971	IBT	VP, Conf Chm'n	52,396	6,657	2,033	—	61,087
1971	SCT	Chm'n Pol Cee	48,738	—	—	—	48,738
1971	Texas Conf	—gift—	—	—	—	720	720
1971	TOTAL						\$110,545
1972	IBT	VP, Conf Chm'n					
		General S/T	100,973	4,295	8,960	—	114,228
1972	SCT	Chm'n Pol Cee	54,801	—	—	—	54,801
1972	Texas Conf	—gift—	—	—	—	240	240
1972	TOTAL						\$169,269
1973	IBT	General S/T	100,000	2,737	4,803	—	107,541
1973	SCT	Chm'n Pol Cee	57,298	—	—	—	57,298
1973	TOTAL						\$164,839
1974	IBT	General S/T	100,000	2,737	6,309	—	109,047
1974	SCT	—gift—	—	—	—	45,787	45,787
1974	TOTAL						\$154,834

Comments: General Secretary-Treasurer Miller enjoyed the same two unlimited expense accounts as the General President. See generally Chapter 8 above. The International also furnished Miller with a car for his private use. In 1974 he drove a 1974 Ford part of the time until he traded it in for a 1975 model. Both cars were reported to have cost a total of \$1,128 to operate in 1974.

The \$45,787 in "Other" disbursements from the Southern Conference of Teamsters in 1974 represents the value of a furnished condominium in Florida that the Conference gave to Miller as a "retirement gift". Miller reportedly is receiving \$60,000 to \$80,000 a year as a pension although some knowledgeable observers feel that it may be higher.

**Ray Schoessling**  
**Washington, D.C.**  
**General Secretary-Treasurer**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen Org, VP, Conf Chm'n	55,000	5,137	665	—	60,802
1974	CCT	S/T Pol Cee	24,462	—	1,526	—	25,998
1974	JC 25	Tee	28,500	—	—	—	28,500
1974	LU 744	Pres	5,000	—	—	—	5,000
1974	Nat'l Brewery Conf	S/T	—	—	—	5,000	5,000
1974	TOTAL						\$125,300

Comments: Schoessling was formally sworn in as the Union's new General Secretary-Treasurer at the end of January, 1976. It is not known if he had relinquished all his other posts when assuming this position.

In 1973 Chicago Joint Council 25 gave a car with a fair market value of \$7,450 to its "outgoing President" Ray Schoessling even though Schoessling merely switched positions with Joint Council 25 Trustee Louis Peick and continued to receive the exact same salary as he was making

as President, \$28,500; his responsibilities were, however, diminished considerably. (The other two trustees of the Joint Council received only \$15,500 each in 1974). PROD could find no justification for this gift in the Joint Council 25 bylaws in effect at that time.

The bylaws of Local 744 permit the President to appoint and set the salary of its Business Agents. Accordingly, Schoessling appointed his son, James Schoessling, a Business Agent in 1968 and later helped him get elected a Trustee of the Local, a job which paid him a \$25,000 salary in 1974.

**Einar Mohn**  
**Burlingame, California**  
**First Vice-President (Retired)**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1973	IBT	VP, Gen Org & Conf Chm'n	55,000	5,137	12,464	—	72,601
1973	WCT	Chm'n Pol Cee	—	—	6,315	—	6,315
1973	TOTAL						\$ 78,916
1974	IBT	VP, Gen Org & Conf Chm'n	34,998	3,847	6,032	10,000	54,877
1974	WCT	Chm'n Pol Cee	—	—	—	11,872	11,872
1974	TOTAL				5,937		\$ 72,686

Comments: Mohn retired as Director of the Western Conference in early 1974 and was succeeded by Maurice E. "Andy" Anderson but he did not relinquish his International Vice-Presidency until October, 1974. The 1974 disbursements listed in the "other" column most likely represent retirement gifts to Mohn. Unlike his colleagues in the Southern and Central Conferences, Mohn did not take a separate, full salary in 1973 for serving as the Chairman of his Conference's Policy Committee.

Mohn's son Bruce received \$36,280 as an International Auditor in 1974 while a certain Ellen Mohn was listed as a receptionist on the Western Conference payroll that same year.

**George Mock**  
**Sacramento, California**  
**First Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org	30,000	11,977	2,530	44,507

Comments: Mock and Harold Gibbons were the only two International Vice-Presidents who did not hold office at other levels of the Union in 1974.

In 1972 Mock received title to a 1969 Cadillac with a book value of \$2,200 from Sacramento Joint Council 38 as a gift.

**Harold Gibbons**  
**St. Louis, Missouri**  
**Second Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1971	IBT	VP, Conf Chm'n	36,824	—	27,143	—	63,968
1971	CCT	S/T	30,000	—	302	—	30,302
1971	Mo-Kans	Conf Pres	— not available —				
1971	JC 13	Pres	— not available —				
1971	LU 688	S/T	22,100	—	500	—	22,600
1971	TOTAL						\$116,870

(Con't. on following page)



Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1972	IBT	VP, Conf Chm'n	55,000	—	16,958	—	71,958
1972	CCT	S/T	30,000	—	338	—	30,338
1972	Mo-Kans	Conf Pres	— not available—				
1972	JC 13	Pres	1,575	—	371	—	1,946
1972	LU 688	S/T	3,735	—	—	—	3,735
1972	TOTAL						\$107,977
1973	IBT	VP	18,000	2,977	1,691	—	22,668
1973	CCT	Member Pol Cee	—	240	428	—	668
1973	JC 13	Pres	1,400	—	52	4,406	5,858
1973	LU 688	S/T	31,700	—	2,474	—	34,174
1973	TOTAL						\$ 63,368
1974	IBT	VP	18,000	3,937	944	—	22,881

Comments: Gibbons entered the Teamsters in 1949 and quickly established himself in the St. Louis area. From 1953 to 1958 he ran St. Louis Joint Council 13. He prevailed in a very close election for the Joint Council Presidency using tactics that Bobby Kennedy, among others, strongly criticized. During the 1950s he formed a working relationship with James Hoffa and eventually became one of Hoffa's most trusted, as well as loyal, lieutenants. With Hoffa's support, he assumed control of the Missouri-Kansas Conference and became active in the affairs of the Central Conference. When Hoffa went to jail in the late 1960s, Gibbons became the Secretary-Treasurer of the Conference and ran it until Frank Fitzsimmons replaced him with Ray Schoessling in 1973. Roy Williams displaced Gibbons as head of the Missouri-Kansas Conference and moved its headquarters from St. Louis to Kansas City in 1973, the same year that Schoessling took Central Conference Headquarters back to Chicago. Gibbons retired from Joint Council 13 and Local 688 at the end of 1973.

While Gibbons was International Area Director of the Central Conference (see the 1971 figures above) the International did not report paying him any of the allowances to which he was entitled under the IBT Constitution. Instead, the International made huge disbursements to Gibbons for "expenses". One must also keep in mind that while he was head of the Missouri-Kansas Conference he was entitled to "spend reasonable amounts to entertain himself and others" while he was on out-of-town trips.

The above figures also show how Fitzsimmons dealt Gibbons a severe pay cut from the International in 1973 that might have staggered Gibbons financially if he had not had his Local and Joint Council there to help cushion the blow. His Local came through with a substantial raise in 1973 while his Joint Council gave him a new car.

In 1970, Local 688 set up a Trust fund to provide a death benefit to the estate of Harold Gibbons the value of which has grown to \$159,966 by 1974.

**Joseph Trerotola**  
**New York, New York**  
**Third Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org, Conf Chm'n	55,000	5,137	—	60,137
1974	ECT	Chm'n Pol Cee	—	—	1,268	1,268
1974	JC 16	Pres	25,200	—	300	25,500
1974	LU 803	VP	—	—	—	—
1974	TOTAL					\$ 86,905

Comments: Local 803 is a very small Local of security guards whose members are the only rank and file Teamsters who ever directly elected Trerotola to office. Joint Council 16 is the second largest Joint Council with over 200,000 members. His son Vincent also has jobs at four levels of the Union which enabled him to gross over \$57,000 in 1974 alone. See Vincent's profile below in Chapter 14.

**Robert Holmes**  
**Detroit, Michigan**  
**Fourth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org	30,000	8,977	1,270	40,248
1974	JC 43	Pres	3,750	250	427	4,427
1974	LU 337	Pres	51,550	600	—	52,150
1974	Central States Pension Fund	Tee	—	2,420	1,264	3,684
1974	TOTAL					\$100,509

Comments: Holmes was one of Jimmy Hoffa's earliest associates who exploited that relationship to rise to the top echelon of the Union's hierarchy. In addition to the above-listed positions, Holmes serves as a member of the Central Conference Policy Committee and as Chairman of the International's Warehouse Trade Division. His son Robert Holmes, Jr. is a Trustee of Local 337 for which he received a salary of \$28,608, plus another \$342 in allowances and expenses in 1974.

**William Presser**  
**Cleveland, Ohio**  
**Fifth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org	30,000	7,097	601	37,698
1974	OCT	Pres	6,000	2,920	—	8,920
1974	JC 41	Pres	34,217	—	6,079	40,296
1974	LU 555	Pres	10,400	200	—	10,600
1974	Central States Pension Fund	Tee	—	26,800	2,134	28,934
1974	TOTAL					\$126,448

Comments: Over the years Presser has been the object of continuing criminal investigations. In 1953 Presser was fined \$1,500 for restraint of trade when he was executive secretary of the Tobacco and Candy Jobbers Association. A year later he took the Fifth Amendment on all questions pertaining to his personal income before a House Committee probing corruption of the Teamsters. In March, 1958 investigators from the McClellan Committee subpoenaed the books of Joint Council 41 in preparation for hearings later that summer. In the midst of those hearings, which focussed on Hoffa, Presser's Joint Council 41 passed a resolution setting up a severance and disability plan for him. This plan was modified on May 3, 1960, just four days before Presser was found guilty on a charge stemming from his destroying certain union records the government sought. Ten days after this conviction, his Local Union passed a resolution setting up a special severance fund for him. Two weeks later, Presser went on trial on a federal charge of obstruction of justice resulting from the same incident, was convicted and served six months in jail.

Presser became the beneficiary of yet another special account on New Year's Day, 1966 when Joint Council 41 voted to set aside even more of their members' dues money for his old age. The next year Frank Fitzsimmons elevated him from International Trustee to International Vice-President.

In 1969, the Joint Council 41 Business Agent's Pension made Presser a \$30,000 loan to finance the purchase of his home in University Heights, Ohio in possible violation of the Landrum-Griffin Act. (See 29 U.S.C. 503 and Chapter 7, "The Cleveland Connection"). In 1970 the fund reported that Presser still owed \$25,739 on the loan. That notation was the last thing said about the loan on the Fund's official reports so one must assume Presser either paid off the loan or it was forgiven.

In September, 1970 Joint Council 41 passed a resolution which would later be incorporated into its bylaws, authorizing the Council President to travel anywhere he wanted, with whomever he wanted and to charge whatever he wanted to the Joint Council. A scant four months later Presser was convicted of taking illegal payments from employers in a scheme that involved selling advertising space in an Ohio Teamster publication to employers in exchange for "labor peace". Presser was fined \$12,000 on February 22, 1971, but not sent to jail because of his health. Less than a month later the delegates to a Joint Council 41 assembly approved a new set of bylaws that gave Presser virtually dictatorial powers. Frank Fitzsimmons put his stamp of approval on these bylaws

within 30 days even though Presser had just been convicted of breaching his fiduciary duties as a union official and still faced additional criminal charges.

On June 9, 1971 Presser was again indicted, this time on embezzlement and false entries charges. Less than a month later he was elected to the position of International Vice-President on Fitzsimmons' slate. On June 12, 1973 Presser was acquitted of the charges and less than a week later the Joint Council 41 Executive Board (which he headed) reaffirmed Presser's worth to the Joint Council by voting to "remain liable" to him for the payment of \$30,000 in back compensation for three unspecified years he allegedly worked without compensation.

The year 1972 started out propitiously for Presser as Bally Corporation Treasurer, Sam Klein of Cleveland, gave Presser 3,750 shares of Bally stock, then worth nearly \$100,000 on the open market, ostensibly as a "gift". In January, 1974 Presser voted to give Bally a \$12 million unsecured loan from the Central States Pension Fund at 6 1/4% interest.

In early 1975 Presser was barred from serving as a trustee of the Central States Fund by the new Pension Reform Act due to his 1971 conviction. Some sources indicate that he resumed his position as a trustee in February, 1976 as soon as his probationary period expired.

Presser has worked closely with other men with criminal records. His brother-in-law Harry Friedman has a long list of arrests and has served time for filing false affidavits yet apparently Presser hired him as a "Representative" of Joint Council 41. Quite recently another Joint Council 41 employee, Jack Nardi, was indicted for labor racketeering and marijuana smuggling. Presser installed Joseph Blumetti as a business agent of Local 410 and an employee of Joint Council 41 in spite of his conviction for white slavery. After Blumetti's conviction on false entry charges, Presser shifted him to the Chicago-based Central States Pension Fund. Finally, Presser's long-time associate Babe Triscaro was frequently under investigation for a variety of questionable transactions and reportedly had been convicted of robbery twice.

**William McCarthy**  
Boston, Massachusetts  
Sixth Vice-President

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org	30,000	5,137	908	36,046
1974	JC 10	Pres	— no compensation reported —			
1974	LU 25	Pres	33,360	120	1,020	34,500
1974	TOTAL					\$ 70,546

Comments: McCarthy runs the New England Teamsters Pension Fund which has assets of over \$180 million. Rank and file dissidents from Local 25 have severely criticized McCarthy for engineering the removal from office of the Local's Secretary-Treasurer, John Conlon who is McCarthy's chief rival.

**Salvatore Provenzano**  
Union City, New Jersey  
Seventh Vice-President

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1971	IBT	VP, Gen Org	29,012	5,862	833	—	35,707
1971	JC 73	Pres	11,350	—	—	—	11,350
1971	LU 560	Pres	26,000	—	4,859	2,400	33,259
1971	TOTAL						\$ 80,316
1972	IBT	VP, Gen Org	30,000	5,145	135	—	35,307
1972	JC 73	Pres	12,000	—	—	—	12,000
1972	LU 560	Pres	52,300	—	2,328	—	54,628
1972	TOTAL						\$101,935
1973	IBT	VP, Gen Org	30,000	6,617	376	—	36,994
1973	JC 73	Pres	12,000	—	600	267	12,867
1973	LU 560	Pres	46,200	—	590	—	46,790
1973	TOTAL						\$ 96,651

(Con't. on following page)

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	IBT	VP, Gen Org	30,000	5,977	795	—	36,773
1974	JC 73	Pres	15,500	700	30	742	16,972
1974	LU 560	Pres	31,200	—	—	—	31,200
1974	TOTAL						\$ 84,945

Comments: Local 560 did not explain on its LM-2 forms why Provenzano was given such generous salary increases in 1972 and 1973. It did not make clear precisely what expenses the Local pays for on Provenzano's behalf. According to the bylaws on file at the Department of Labor, the officers can spend "reasonable amounts" to pay for the meals of themselves and others whenever they work late in their home area and to entertain for the purpose of establishing and maintaining contacts with "persons, organizations and institutions" which tend to foster the good and welfare of the Local. These expenses were not clearly stated.

Salvatore Provenzano appears to be covered by five different severance and retirement plans; the International's Family Protection Plan for International officers, the Teamster Affiliate's Fund for Local officials, Joint Council 73's Fund and two plans set up by Local 560 for its officers and business agents. The Agreement and Declaration of Trust establishing one of Local's 560's officer's severance funds gives the Trustees "full authority to determine all questions of the nature, amount and duration of benefits to be provided on a sound basis without undue depletion or excessive accumulation". In other words, Sal Provenzano and the other trustees can allocate virtually whatever they want for their retirement.

Sal Provenzano has clearly followed in his older brother Tony's footsteps. Sal first appears on the Local's LM-2 as a Business Agent and Trustee of the Local in 1961. On May 12, 1966, the Local Union Executive Board appointed him president to fill the vacancy caused by Tony's resignation. That same year he became a Trustee of New Jersey Joint Council which he took over in 1971. In January, 1971 Fitzsimmons appointed him an International Vice-President and endorsed him for re-election at the 1971 convention. Provenzano also serves on the Policy Committee of the Eastern Conference and on the National Master Freight negotiating team.

In the early 1970s Sal was indicted for conspiracy to counterfeit \$250,000 worth of currency, food and postage stamps. Indicted along with him was Thomas Andretta, a Local 560 business agent who is under investigation in the Hoffa case. The charges against Provenzano were dropped due to a case of mistaken identity. Local 560 Business Agent Salvatore Briguglio, another suspect in the Hoffa case, served 18 months for the offense according to press reports.

In 1973, a certain Rose Provenzano served as the office manager of Local 560 and received a salary of \$11,034.

**Edward Nangle**  
Reading, Pennsylvania  
Eighth Vice-President

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org	30,000	8,257	197	38,454
1974	ECT	S/T	10,192	—	904	11,096
1974	JC 53	Pres	—	4,300	27	4,327
1974	LU 429	S/T	24,170	—	—	24,170
1974	TOTAL					\$ 78,047

Comments: Nangle was first appointed Vice-President by Fitzsimmons in early 1971 and then was elected as part of the Fitzsimmons slate at the 1971 convention. Joint Council 53, is headquartered in Philadelphia and covers more than 105,000 Teamster members, making it the fifth largest Joint Council. Local 429 has over 8,000 members and services the large Central Pennsylvania Teamsters Pension Fund. Nangle is one of the Union's chief negotiators of the National Master Freight Agreement and its Iron and Steel riders.



**Roy Williams**  
**Kansas City, Missouri**  
**Ninth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1971	IBT	Tee/VP & Gen Org	28,736	12,572	1,565	42,874
1971	CCT	R/Sec	—	—	163	162
1971	JC 56	Pres	12,825	—	360	13,185
1971	LU 41	Pres	39,900	—	900	40,800
1971	TOTAL					\$ 97,022
1972	IBT	VP, Gen Org	30,000	10,345	1,145	41,490
1972	CCT	R/Sec	—	—	—	—
1972	JC 56	Pres	11,925	—	403	12,328
1972	LU 41	Pres	37,100	—	—	37,100
1972	TOTAL					\$ 90,918
1973	IBT	VP, Gen Org	30,000	9,337	858	40,195
1973	CCT	R/Sec	—	—	17,631	17,631
1973	Mo-Ks Conf	Pres	—	—	226	226
1973	JC 56	Pres	17,325	—	104	17,429
1973	LU 41	Pres	35,900	—	—	35,900
1973	Central States Fund	Tee — not listed on the D-2 form—				
1973	TOTAL					\$111,381
1974	IBT	VP, Gen Org	30,000	10,017	307	40,325
1974	CCT	R/Sec	—	—	1,479	1,479
1974	Mo-Ks Conf	Pres	—	—	227	227
1974	JC 56	Pres	43,725	—	55	43,780
1974	LU 41	Pres	5,200	—	—	5,200
1974	Central States Fund	Tee	—	—	105	105
1974	TOTAL					\$ 91,116

Comments: The dramatic fluctuations in the amounts paid to Williams by various Teamster organizations raise several questions, especially the Central Conference's 1973 disbursement to Williams of \$17,631 for "reimbursed expenses". From 1966 to 1972 Williams had served as Recording Secretary of the Conference and had never received more than \$163 in any one year. Indeed, on the original LM-2 for 1973, which Conference Secretary-Treasurer Ray Schoessling and Conference Chairman Frank Fitzsimmons signed at the end of March, 1974, Williams was listed as receiving no compensation from the Conference. On April 19, 1974 however, Frank Fitzsimmons signed an amended LM-2 form which claimed that Williams had received the \$17,631 in expenses in 1973.

It was not reported why Williams received such a large pay boost from his Joint Council in 1974 nor why his Local salary dipped so sharply that year. Local 41 did, however, loan Joint Council 56 \$45,000 in 1974 which could easily have financed Williams' increase in pay. No terms of the loan or arrangements for repaying it were listed on the Joint Council's LM-2. The Joint Council received a \$54,000 "organizing grant" from the Central Conference and another \$41,538 in unspecified "reimbursements".

Other aspects of Williams' finances remain unclear. Although virtually every other trustee of the Central States Pension Fund reported receiving significant allowances and expenses from the Fund, Williams was not even listed on the Fund's D-2 report in 1973. As President of the Missouri-Kansas Conference, Williams is empowered to spend "reasonable amounts" to provide entertainment for himself and his friends during non-working hours on out of town trips as well as to "entertain persons, organizations and institutions" which tend to foster the good and welfare of the conference. It is not clear where these types of expenditures are listed.

Williams is currently awaiting trial on charges of making false entries on reports that he filed with the government. A conviction on this charge could bar Williams from holding union office for five years. See 29 U.S.C. 504. The indictment charging Williams with this misdemeanor came down on February 28, 1974, a scant sixteen months after Williams was acquitted on charges of embezzling

\$16,148 from Local 41. According to a 1969 article in the *Oakland Tribune* by Jeff Morgan and Gene Ayres, Williams was also indicted in 1962 along with six others on charges of embezzling union funds. Four of the seven were convicted but not Williams, whose legal defense fees were paid by the Union. The article also alleges that Williams met in 1962 with notorious Kansas City organized crime figure Nicholas Civella who wanted Williams to use his influence as a Trustee of the Central States Fund to obtain a \$7 million loan from the Fund for a Las Vegas hotel in which Civella had an interest.

In spite of Williams' past record, Fitzsimmons recently appointed him as International Director of the powerful Central Conference, a move that will raise Williams' salary from the International at least \$25,000 and entitle him to another full salary of \$30,000 from the Conference itself.

Williams currently serves as Chairman of the Missouri-Kansas Drivers Council, the Central States Drivers Council, and the International's Freight Division, which effectively makes him the Union's top strategist in dealing with the trucking industry.

**Joseph W. Morgan**  
**Hallandale, Florida**  
**Tenth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1971	IBT	VP, Gen Org	28,529	8,217	724	—	37,470
1971	SCT	Member Pol Cee	—	—	—	1,000	1,000
1971	Ga-Fla Conf	Press	7,000	—	—	1,649	8,649
1971	LU 769	Pres	14,800	250	2,481	—	17,531
1971	Central States Fund	Tee	—	655	—	—	655
1971	TOTAL						\$ 65,315
1972	IBT	VP, Gen Org & Conf Chm'n	48,750	9,785	1,412	—	59,947
1972	SCT	Area Director	—	—	—	1,000	1,000
1972	GA-Fla Conf	Pres	7,000	—	—	—	7,000
1972	LU 769	Pres	15,370	—	985	—	16,355
1972	TOTAL						\$ 84,302
1973	IBT	VP, Gen Org & Conf Chm'n	55,000	10,257	1,357	—	66,614
1973	SCT	Chm'n Pol Cee	21,465	—	—	—	21,465
1973	Ga-Fla Conf	Past Pres	500	—	—	—	500
1973	Lu 769	Past Pres	3,400	—	—	—	3,400
1973	Texas Conf	—gift—	—	—	—	3,795	3,795
1973	TOTAL						\$ 95,774
1974	IBT	VP, Gen Org & Conf Chm'n	55,000	9,697	1,866	—	66,563
1974	SCT	Chm'n Pol Cee	54,939	—	—	—	54,939
1974	TOTAL						\$121,502

Comments: Morgan is a former pro football tackle who became associated with the Teamsters in the late 1940s. He has been a General Organizer since the mid-50s and has steadily worked his way up the ladder to his current spot at the top of the Southern Conference. Morgan hails from Florida and in the late 1950s he received a \$25,000 loan from the International to finance a home in the Ft. Lauderdale area (See Appendix D). Morgan's large pay raise in 1972 enabled him to pay off the remaining \$8,000 he owed the Union. Morgan recently moved part of the headquarters of the Southern Conference to Hallandale, Florida which is just south of his Ft. Lauderdale home and very close to homes owned by Tony Provenzano, Tony Roma and others.

Why Morgan received \$3,400 from Local 769 and \$500 from the Georgia-Florida Conference after he had left office in those organizations was not reported. The gift from Texas Teamsters to Morgan also was not explained. Morgan's successor as President of Local 769 was Donald Gillette who had just returned from prison after serving time for taking illegal payments from an employer. Gillette served the Local until 1973 when he took a job under Morgan as an Organizer for the Southern Conference.

**Edward Lawson**  
**Vancouver, British Columbia**  
**Eleventh Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1971	IBT	VP & Gen Org	29,012	6,242	6,702	41,957
1972	IBT	VP & Gen Org	30,000	6,185	4,002	40,187
1973	IBT	VP	18,000	5,137	2,344	25,481
1974	IBT	VP	18,000	5,297	2,182	25,479

Comments: Lawson was recently appointed International Area Director of the newly created Canadian Conference. He presides over Vancouver Joint Council 36 and also serves as a trustee of Local 213. Lawson became the first Teamster International Vice-President from Canada when he was elected at the 1971 Convention. The highly respected Lawson is a Canadian Senator who demonstrated some independence from Fitzsimmons by refusing to approve Fitzsimmons attack on Harold Gibbons in 1972. For this, Fitzsimmons stripped him of his General Organizer's post thereby handing Lawson a \$15,000 pay cut.

Further details on Lawson's finances are unavailable because Canadian affiliates of the Teamsters do not have to file reports with the U.S. Department of Labor.

**Weldon Mathis**  
**Washington, D.C.**  
**Twelfth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org & Exec Asst to the GP	50,000	5,857	3,138	58,995
1974	LU 728	Pres	20,894	—	—	20,894
1974	TOTAL					\$ 79,889

Comments: Mathis enjoys the private use of an automobile as part of his compensation from the International. During 1974, Mathis drove a 1973 Cadillac that cost \$1,632 to operate until he traded it in for a 1975 Lincoln which had a book value of \$12,500. In addition to serving as Fitzsimmons' Executive Assistant, Mathis also functions as the Treasurer of DRIVE, the Union's political arm.

Although he lives and works in Washington, Mathis retains his position as the head of the 5,000 member Atlanta Truck Drivers Local 728. The Local's most recent set of bylaws give the President unusually strong powers including the right to hire, fire and set the compensation for all non-elective employees and the right to delegate any of his powers. Hence Mathis has placed his brother Wilbur and his son W. Lamar Mathis, Jr. on the Local 728 payroll in order to keep a watch over his Local while he is in Washington. See their individual profiles in Chapter 14 below.

Local 728 took in nearly a million dollars in dues revenue in 1974 alone and paid out over 10% (\$106,235) of that to an unspecified pension fund, presumably for its officers and employees since the union's rank and file have payments made on their behalf directly to the Central States Pension Fund.

**Arnie Weinmeister**  
**Seattle, Washington**  
**Thirteenth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1972	JC 28	Pres	12,938	7,525	232	20,695
1972	LU 117	S/T	32,888	—	—	32,888
1972	TOTAL					\$ 53,583
1973	IBT	VP	18,000	5,657	1,032	24,690
1973	JC 28	Pres	17,631	8,189	153	25,973
1973	LU 117	S/T	34,472	—	4,787	39,259
1973	TOTAL					\$ 89,922

(Con't. on following page)

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP	18,000	5,337	1,024	24,362
1974	JC 28	Pres	18,870	7,610	543	27,023
1974	LU 117	S/T	37,952	—	5,003	42,955
1974	TOTAL					\$ 94,340

Comments: Weinmeister was an All-Pro Football Tackle with the New York Giants prior to his joining the Teamsters in 1956. After a stint as a Western Conference Organizer, Weinmeister became affiliated with Warehouseman's Local 117 in Seattle and the Seattle Joint Council and was appointed by Fitzsimmons in February, 1973 to fill a vacant Vice-Presidential slot.

Joint Council 28 was the only Teamster organization that itemized the expenditures that were included in arriving at the figures listed in the allowance and expenses column of their LM-2. Thus, we know that the \$7,610 in allowances that Weinmeister received from his Joint Council consisted of a car allowance of \$50 a week (total value \$2,600), a \$200 a month expense allowance (\$2,400), and a \$50 per diem (\$2,600). The Joint Council paid the following expenses for Weinmeister: \$277 in automobile expenses to creditors, \$241 in reimbursed expenses, and \$24 in restaurant charges.

**Maurice E. "Andy" Anderson**  
**Burlingame, California**  
**Fourteenth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	VP, Gen Org, Conf Chm'n	48,750	12,497	5,358	66,605
1974	WCT	Chm'n Pol Cee	—	—	10,914	10,914
1974	JC 42	Tee	5,246	—	—	5,246
1974	LU 986	S/T	44,350	—	1,046	45,396
1974	TOTAL					\$128,161

Comments: Anderson officially took over the Western Conference from Einar Mohn in July, 1974 even though he was not sworn in as a Vice President until October, 1974. His appointment to a Vice-Presidency may have violated the Teamsters Constitution which provides that only one VP should come from any one state or province. George Mock of Sacramento, California already was sitting on the General Executive Board when Anderson joined it.

On August 22, 1974, Anderson switched positions with the President of Local 986, M. J. Riley. Riley resigned the presidency and was appointed secretary-treasurer at the same time Anderson resigned as secretary-treasurer and was appointed president.

**Louis F. Peick**  
**Chicago, Illinois**  
**Fifteenth Vice-President**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Tee	10,800	2,737	259	13,797
1974	JC 25	Pres	28,500	—	—	28,500
1974	LU 705	S/T	79,572	—	688	80,260
1974	TOTAL					\$122,557

Comments: Fitzsimmons appointed Peick an International Vice-President in January, 1976 to fill the gap left by Ray Schoessling when Schoessling became General Secretary-Treasurer. This promotion will increase Peick's income from the International by at least \$7,200. Peick serves as a member of the Central Conference Policy Committee and on Mayor Daley's Police Board in spite of the fact that Peick's Local 705 has been publicly accused of "sheer racketeering" in its attempt to organize certain gas station employees in the Chicago area during 1974-1975.

Peick inherited Joint Council 25 from Schoessling and apparently it treats Peick well. It purchased an automobile in 1974 with a book value of \$13,957 and reimbursed Local 705 \$15,281 for auto expenses in 1974.



**Frank Matula**  
Los Angeles, California  
International Trustee

Year	Division	Title	Salary	Allowances	Expenses	Total
1970	IBT	Tee	10,800	650	1,204	12,654
1970	LU 396	S/T	62,778	1,907	140	64,846
1970	TOTAL					\$ 77,500
1971	IBT	Tee	11,559	17,095	2,836	31,490
1971	LU 396	S/T	— not available —			
1972	IBT	Tee	10,800	15,182	947	26,929
1972	LU 396	S/T	66,808	—	1,612	68,420
1972	TOTAL					\$ 95,349
1973	IBT	Tee	10,800	3,777	606	15,184
1973	LU 396	S/T	78,428	—	1,838	80,266
1973	TOTAL					\$ 95,450
1974	IBT	Tee	10,800	3,417	359	14,576
1974	LU 396	S/T	83,381	—	2,364	85,745
1974	TOTAL					\$100,321

Comments: Matula was convicted of perjury in 1959 as a result of his testimony before a committee of the California State Assembly that was investigating the garbage removal industry in Los Angeles. Shortly after Matula was sentenced to six months imprisonment, five years' probation and fined \$2,500 for this offense, Hoffa appointed him a Trustee of the International.

Matula received abnormally high allowances in 1971, a convention and election year within the Teamsters, and 1972. Since the General President directly controls the amount of allowances a trustee will receive, this may have been Fitzsimmons' way of buying Matula's political support. See also the portrait of Maurice Schurr below.

Local 396 represents about 5,000 package and general utility drivers in greater Los Angeles. No other officer in the Local makes more than \$29,000. A copy of its bylaws is not available at the Department of Labor's Washington office.

**Maurice Schurr**  
Philadelphia, Pennsylvania  
International Trustee

Year	Division	Title	Salary	Allowances	Expenses	Total
1970	IBT	Tee	10,800	812	557	12,170
1970	LU 929	Pres	23,400	—	1,892	25,292
1970	TOTAL					\$ 37,462
1971	IBT	Tee	11,904	13,015	1,092	26,011
1971	LU 929	Pres	27,000	—	3,549	30,549
1971	TOTAL					\$ 56,560
1972	IBT	Tee	11,293	12,860	1,788	25,941
1972	LU 929	Pres	27,013	—	3,220	30,233
1972	TOTAL					\$ 56,174
1973	IBT	Tee	10,882	4,057	262	15,202
1973	LU 929	Pres	27,931	—	938	28,869
1973	TOTAL					\$ 44,071
1974	IBT	Tee	10,800	4,017	280	15,098
1974	LU 929	Pres	29,925	—	3,650	33,575
1974	TOTAL					\$ 48,673

Comments: Schurr, like fellow Trustee Frank Matula, received extraordinary allowances in 1971 and 1972 from the International.

**Jesse Carr**  
Anchorage, Alaska  
International Trustee

Year	Division	Title	Salary	Allowances	Expenses	Total
1973	LU 959	S/T	49,998	7,600	10,477	68,075
1974	LU 959	S/T	50,575	7,600	—	58,175

Comments: Carr was acquitted on June 18, 1970 of federal charges of embezzling union funds yet was appointed an International Trustee in January, 1976 to replace Louis Peick of Chicago who moved up to International Vice-President.

As the head of the only Teamsters Local in Alaska, Carr sits atop a phenomenal empire of pipeline and other workers. In 1974 Local 959 took in nearly \$4 million in dues revenue alone, a 100% increase over 1973. Its pension fund listed assets of \$53.3 million as of July 31, 1975 and takes in at least a million dollars a week although few pipeline workers will put in enough time to collect any of the large sums being deposited on their behalf.

Local 959's bylaws contain an officer's travel provision similar to that enjoyed by Frank Fitzsimmons which permit Carr to travel anywhere he wants at union expense for the purpose of conserving his health or taking rests. Carr may take along any guests he wants at the Union's expense and may extend the generous terms of this provision to any of the Local's other six officers, 21 Business Agents and dozen other employees.

Carr's travels are facilitated by a small fleet of planes his Local owns or leases. According to one source, Carr's fleet includes two Merlin Turboprop planes and two Lear Jets. The Local itself has two pilots on its payroll while the corporation that holds title to its land and building, the Local 959 Building Corporation, reported spending nearly \$400,000 on aircraft.

## CHAPTER 14

### Other Top Teamster Officials: How Much Do They Make?

#### Alan Adelstein New York, New York

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	LU 813	Pres	19,090	—	2,221	21,311
1974	LU 1034	R/Sec	15,145	—	2,290	17,435
1974	LU 813					
	Ins Fund	Tee	—	900	—	900
1974	LU 813					
	Pension Fund	Tee	—	900	—	900
1974	LU 813 & 1034					
	Severance & Retirement Fund	Tee	—	900	—	900
1974	TOTAL					\$ 41,446

Comments: See Martin Adelstein below.

#### Bernard Adelstein New York, New York

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	LU 813	S/T	40,450	—	7,040	47,499
1974	LU 1034	Pres	40,450	—	6,986	47,436
1974	JC 16	Tee	3,600	—	—	3,600
1974	LU 813					
	Ins Fund	Adm & Tee	14,000	900	—	14,900
1974	LU 813					
	Pension Fund	Adm & Tee	14,000	900	—	14,900
1974	LU 813 & 1034					
	Severance Fund & Retirement Fund	Adm & Tee	10,100	900	—	11,000
1974	TOTAL					\$139,335

Comments: See Martin Adelstein below.

#### Martin Adelstein New York, New York

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	LU 813	Tee	17,715	—	1,954	19,669
1974	LU 1034	S/T	26,910	—	3,566	30,476
1974	LU 813					
	Ins Fund	Tee	—	900	—	900
1974	LU 813					
	Pension Fund	Tee	—	900	—	900
1974	LU 813 & 1034					
	Severance & Retirement Fund	Tee	—	900	—	900
1974	TOTAL					\$ 52,845

Comments: Bernard Adelstein, the father of Martin and Alan, was the subject of scrutiny by the McClellan Committee in the late 1950s. The Committee reported on how Adelstein and organized crime figure Joe Parisi muscled in on the private waste hauling business in the New York area. Adelstein was convicted of extortion but his conviction was overturned by an appeals court. In



spite of his background, Fitzsimmons has specifically authorized Bernard and his two sons to hold office simultaneously in Local 813, the 2,000 member Private Sanitation Workers Union, and the 3,000 member Container, Drum and Miscellaneous Workers Union Local 1034.

Both Locals and their respective Funds have taken good care of the Adelsteins. Section 10.04 of Local 813's bylaws provides that the Local shall furnish its officers with a car and pay all expenses of operating, garaging and insuring it. Furthermore, whenever the Local makes an expense allowance to any person and there is an excess remaining over the expenses, the balance can be pocketed by the individual. Bernard's salary from Local 813, which is high for such a small Local even by Teamster standards, is set by the Local's seven man Executive Board which includes three Adelsteins! The Local also maintains an Officers Retirement Trust Fund which will provide the Adelsteins with another source of benefits when they retire.

Other aspects of the Local's finances are interesting. An attorney and several organizers "affiliated" with the Local's pension and welfare funds are on the Local's payroll. In 1971 another Adelstein, Mel, received nearly \$15,000 as an organizer. Oddly enough, Schedule 4 of Local 813's 1974 LM-2 reports that \$16,699 in "Deposits from Employers" are carried as an "Other Liability" on the Union's books.

The bylaws of Local 1034 give the Local's officers a blank check to increase their take from the Local any time they want. Thus section 10.04 of those bylaws provide that: "The Executive Board [which currently consists of three Adelsteins and four other officers] may from time to time, and at any time improve the terms and conditions of employment for officers, employees and representatives of this Local Union including . . . additional compensation and allowances."

#### J. O. Allgood Dallas, Texas

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	SCT	Org	32,811	8,098	—	40,909

#### Joseph W. Allgood Dallas, Texas

Year	Division	Title	Salary	Allowances	Expenses	Total
1973	LU 47	R/S	18,056	605	1,245	19,900
1974	IBT	Org	16,666	13,175	3,641	33,483

#### Sam Ancona Kansas City, Missouri

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org	25,000	11,897	2,779	39,677
1974	Mo-Kans	Conf Org	1,000	—	—	1,000
1974	JC 56	Org	34,200	—	995	35,195
1974	TOTAL					\$ 75,872

Comments: Ancona is one of the highest paid organizers in the American Labor movement. In 1974 alone he made more than I.W. Abel, the President of the United Steelworkers Union, America's second largest union.

According to a 1969 article in the *Oakland Tribune*, Ancona at least once served as a liaison between top Kansas City mob figure Nicholas Civella and Teamster Vice-President Roy Williams.

#### Peter A. Andrade Burlingame, California

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org	30,000	7,857	6,592	44,492
1974	WCT	Chm'n of a Trade Division	—	—	7,343	7,343
1974	WCT Pension Fund	Tee	—	900	670	1,570
1974	TOTAL					\$ 53,405

Comments: In 1974 Andrade was chairman of the International's National Food Processing Division.

#### Henry Aquirre San Francisco, California

Year	Division	Title(s)	Salary	Allowances	Expenses	Other	Total
1974	LU 860	Pres	34,200	2,831	1,747	862	\$ 39,710

Comments: Local 860 has only 3,000 members employed mainly in San Francisco's warehouses.

#### Joseph Ballew Washington, D.C.

Year	Division	Title(s)	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen Org	17,500	3,325	3,270	—	24,095
1974	WCT	Tee	26,491	1,133	9,878	862	38,364
1974	TOTAL						\$ 62,459

Comments: Ballew served as comptroller of the Western Conference and a trustee of its officers pension fund until Dusty Miller brought him to Teamsters headquarters in Washington, D.C. in early 1975. He currently serves as an administrative assistant to General Secretary Treasurer Ray Schoessling.

#### Joe Bane Pontiac, Michigan

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	LU 614	Pres	28,490	2,975	44	\$ 31,507

Comments: Bane's Local received an \$11,000 grant from the International in 1974 which was used to pay part of the salary of Frank Fitzsimmons' son Don, who received \$17,731 from the Local for serving as an organizer in 1974. Bane employed his own son, Joe Bane, Jr., as a Business Agent for the Local and paid him \$19,175 in 1974. The Local reported selling an automobile with a book value of \$5,290 for \$1,700 in 1974.

#### Robert M. Baptiste, Esquire Washington, D.C.

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	ECT	House Counsel	6,249	—	932	7,182
1974	IBT	House Counsel	26,250	2,062	810	29,122
1974	TOTAL					\$ 36,304

#### W.C. Barbee Charlotte, North Carolina

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	JC 9	Pres	5,600	—	465	3,571	9,636
1974	LU 71	Pres	26,930	2,305	411	—	29,656
1974	TOTAL						39,292

Comments: The "Other" disbursements Barbee received from Joint Council 9 represent expenses paid to his creditors.

#### Joe Bates Kansas City, Missouri

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	Mo-Ks	Conf Org	13,250	4,300	439	17,989
1974	JC 56	Org	11,925	—	318	12,243
1974	TOTAL					\$ 30,232

**Leo F. Battisti**

Year	Division	Title	Salary	Allowances	Expenses	Total
1973	Ga-Fla	Conf Org	14,625	1,850	194	16,669
1974	IBT	Gen Org	25,000	7,657	1,105	33,762

**Louis Battone  
Philadelphia, Pennsylvania**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	LU 707	Pres	29,184	5,885	6,970	42,039

Comments: Local 107 represents almost 10,000 Philadelphia area freight drivers and dock workers.

**Richard C. Bell, Jr.  
Silver Spring, Maryland**

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Int Aud	30,000	12,097	3,506	45,603

Comments: Bell is the son of veteran Eastern Conference official Richard Bell, Sr. who retired in early 1974.

**Joseph Bernstein  
Chicago, Illinois**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1973	LU 781	Pres	54,200	50	8,877	36,000	99,127
1973	JC 25	Tee	15,000	—	—	—	15,000
1973	TOTAL						\$114,127
1974	CCT	Org	10,417	—	—	—	10,417
1974	JC 25	VP	15,500	—	—	—	15,500
1974	LU 781	Pres	63,505	—	8,226	36,000	107,731
1974	TOTAL						\$133,648

Comments: Local 781 represents well over 10,000 Teamster Warehousemen and miscellaneous workers in the Chicago area. The Local does not indicate on its LM-2 form what its "Other" disbursement represents although the official Department of Labor instructions indicate that such "other disbursements" are those essentially for the benefit of the individual rather than the organization and include "cash gifts" and "any personal expenses" paid by the organization to the officer. Local 781 lists a "club membership" costing \$5,000 as an asset of the Local Union.

It could not be determined why the Central Conference paid Bernstein over \$10,000 to "organize" in 1974 when he was receiving over \$100,000 per year from his Local. See also profiles of William Joyce, Joseph L. Bernstein and Robert Bernstein below.

**Joseph L. Bernstein  
Chicago, Illinois**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1973	LU 781	S/T	57,000	—	1,805	6,000	64,805
1974	LU 781	S/T	66,550	—	893	18,000	87,478

Comments: See Joseph Bernstein, Sr. above and Robert Bernstein below.

**Robert Bernstein  
Chicago, Illinois**

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1973	LU 781	BA	49,000	50	277	6,000	55,327
1974	LU 781	BA	57,850	—	893	18,000	76,743

Comments: Robert Bernstein is one of the highest paid Business Agents in the American Labor movement. Thanks to a \$21,000 raise in 1974, Bernstein made more for serving as a Business Agent in 1974 than Leonard Woodcock or I.W. Abel did for leading Unions with well over a million members. The President of Local 781, Joseph Bernstein, has the power to hire and fire all Business Agents.

**Paul W. Blinco  
Los Angeles, California**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 42	Field Rep	33,479	—	5,420	\$38,899

Comments: Blinco used to serve as the Secretary-Treasurer of Los Angeles Local 598. In 1967 Blinco was indicted and later acquitted on embezzlement and false entry charges.

**Joseph Blumetti  
Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	JC 41	Employee	10,575	—	1,033	11,608
1972	LU 410	BA	15,154	—	1,169	16,323
1972	TOTAL					\$27,931
1973	JC 41	Employee	13,680	—	108	13,788
1973	Central States	Pension Fund — Collections Manager	5,884	—	1,693	7,577
1973	TOTAL					\$21,365
1974	Central States	Pension Fund — Collections Manager	25,822	—	7,722	33,544

Comments: Blumetti was convicted of white slavery in the 1940s and served half of a six-year sentence. William Presser made Blumetti a Business Agent of jukebox Local 410 in the early 1950s and the two have worked closely together since. On June 23, 1970 Blumetti was indicted for embezzlement and false entry charges and convicted on July 12, 1973 on the false entries charge. Since this conviction banned him from holding union office for five years, Blumetti moved over to the Central States Pension Fund as its local collections manager.

**Bill Bounds  
Danville, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 26	Pres & BA	36,400	2,250	3,700	\$42,350

**Gabriel Briguglio  
Union City, New Jersey**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 84	VP	20,800	180	1,980	22,960
1974	LU 84	Welfare Fund Tee	—	1,212	350	1,562
1974	TOTAL					\$24,532

Comments: Local 84 is a small Teamster Local representing various industrial workers including many in the aluminum industry. Briguglio became Vice-President of the Local in 1969 and served without much notoriety until he became known as one of the prime suspects in the disappearance of Jimmy Hoffa.



**Salvatore Briguglio**  
**Union City, New Jersey**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	LU 560	BA	14,280	-	257	14,537
1974	LU 560	BA	24,140	-	82	24,202
1974	LU 560	Welfare Fund	-	900	-	900
1974	TOTAL					\$25,102

Comments: Salvatore Briguglio has been mentioned as a suspect in the disappearance of Jimmy Hoffa. Briguglio did serve time in jail for conspiring to counterfeit \$250,000 in the early 1970s but was able to step out of prison and back into his role as a Business Agent.

In 1974 Sal also served as a Union Trustee of the Trucking Industry Employees of Passaic and Bergen County Welfare Fund. That fund is under investigation by federal authorities because it lent Thomas Romano \$4,627,200 to finance a condominium project near Ft. Lauderdale a month after he had sold a home to Tony Provenzano at a suspiciously low price. The Fund's latest financial report covers the year ending November 30, 1975 and reports an increase in real estate loans and mortgages from \$351,105 in 1974 to \$6,203,301 currently outstanding.

**William Bufalino**  
**Detroit, Michigan**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org & Counsel	30,000	5,137	-	35,137
1974	LU 985	Pres	26,500	-	-	26,500
1974	TOTAL					\$61,637

Comments: Jimmy Hoffa reportedly obtained the charter of jukebox Local 985 for Bufalino in the late 1940s. Bufalino's marriage to a relative of Detroit organized crime figure Angelo Meli further enhanced Bufalino's influence in the Detroit area. In 1953 a Special Subcommittee of the House Committees on Government Operations and on Education and Labor investigated Bufalino's operations and found a pattern of suspicious activities. The McClellan Committee investigated Bufalino again and levelled harsh criticism of his operations. Bufalino was a highly visible character in many of Jimmy Hoffa's trials and more recently has been counsel to many of the suspects in the Hoffa disappearance.

**Elijah Buffington**  
**Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	Tee	45,201	-	3,628	\$48,829

Comments: Local 743 is the largest Teamsters Local with over 30,000 members. Its officers, led by Donald Peters, are among the highest paid Local officials.

**R.B. Bunch**  
**Mesquite, Texas**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	SCT	Org	32,811	8,338	-	41,149
1974	Texas Conf	Pres	6,880	-	-	6,880
1974	TOTAL					\$48,029

Comments: In 1971 Bunch took over from M. R. Dixon the reigns of the Texas Conference. This Conference made expensive gifts to various Teamster officials including \$13,200 to Murray Miller and nearly \$4,000 to Joe Morgan. In 1969 Bunch himself received a gift of \$1,500 from the Conference.

In the late 1960s and early 1970s the Texas Conference carried on its books a "reserve for future motorcade". In 1972, the Conference's LM-2 reported that: "The Liability Reserve for Future Motorcade in the amount of \$76,118 was transferred to net worth during 1972 — said amount represents funds internally appropriated". No further information was given about this bizarre transaction.

Bunch has been a long-time Southern Conference Organizer and recently was "elected" to its Policy Committee. In 1964 and 1968 the Conference lent him \$1,200 and \$2,000 respectively.

**John Burinski**  
**Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	VP	45,230	-	3,016	48,246
1974	LU 743	Welfare Fund	-	600	-	600
1974	TOTAL					\$48,846

**Sam Busacca**  
**Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 436	VP/Adm	29,470	170	4,743	34,383
1974	JC 41	Director	1,100	-	-	1,100
1974	TOTAL					\$35,483

Comments: Busacca is the son-in-law of the late Babe Triscaro. After Triscaro died in August, 1974, Busacca was appointed President by the Local's Executive Board which shortly thereafter petitioned the International to impose an emergency trusteeship because the Local was on the verge of bankruptcy. Fitzsimmons quickly appointed William Presser Trustee who turned right around and appointed Busacca the "Administrator" of the Local at his old salary. Local 436 provided its officers with a late-model Cadillac for their personal as well as business use. Its bylaws also enabled the Local President to travel wherever he wanted, whenever he wanted, and with whomever he wanted.

In 1972 Busacca received a \$25,000 home loan from Joint Council 41's Business Agent's Pension Plan, a transaction that may have violated the Landrum-Griffin Act. See Appendix A and Chapter 7 for more details. Contrary to official Department of Labor instructions, the Fund did not disclose terms of repayment.

**James A. Calabrese**  
**Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 781	Rep	29,182	-	102	\$29,284

**W. Fleming Campbell**  
**Bethesda, Maryland**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org	30,000	8,737	382	39,120
1974	ECT	AA	11,564	-	1,247	12,811
1974	TOTAL					\$51,931

**Anthony Cannestro**  
**Miami, Florida**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 769	Pres	32,542	2,812	141	\$35,495

Comments: Local 769 is Joe Morgan's old Local.

**Vernon Cannon**  
Los Angeles, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 42	Field Rep	44,640	-	-	\$44,640

**James Casey**  
Washington, D.C.

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	AA to the GST	47,320	965	349	\$48,634

Comments: Casey also received the use of a 1973 Lincoln in 1974 which had a blue book value of \$6,050 and which cost \$1,149 to operate. Casey continues to pay off a \$17,400 loan from the International that he received in the late 1950s for property located in Bethesda, Maryland.

As the Administrative Assistant to the General Secretary-Treasurer, Casey is in charge of all International Auditors.

**Robert Cassidy**  
Canton, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	OCT	S/T	15,000	4,960	-	19,960
1974	JC 41	Tee	1,100	-	-	1,100
1974	LU 92	Pres	28,150	-	659	28,809
1974	TOTAL					\$49,869

Comments: Cassidy is one of the Teamsters' leading negotiators for steelhaulers working under Teamster contracts. The bloody battle between dissident steelhaulers belonging to the Fraternal Association of Steelhaulers (FASH) and the Teamsters outside of Youngstown, Ohio in 1969 resulted in Cassidy being fined \$2,000 for inciting to riot. By virtue of his status in the Ohio Conference, Cassidy is one of the most powerful Teamsters in the state.

**Charles Cimino, Jr.**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 400	Pres	14,025	2,100	1,046	\$17,171

Comments: There are three Ciminos on the Executive Board of Local 400 — Charles Cimino, Jr., Charles Cimino, Sr., (see below) and Anthony Cimino, a trustee who received \$21,781 in 1974 for his work. In 1973 Ann Cimino was the office manager of the Local for which she received \$12,060.

Local 400 has a number of employee welfare and pension funds, three of which paid Cimino and his co-administrator Victor Allianese a total of \$95,931 for administrative costs. This amount was intended to cover office rent, utilities, and payroll taxes in addition to the salaries of administrative personnel. No further breakdown was given as to how the money was actually budgeted and spent.

**Charles Cimino, Sr.**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 41	S/T	15,500	-	-	15,500
1974	LU 400	S/T	28,620	1,800	1,535	31,955
1974	TOTAL					\$47,455

**W. D. Clouse**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 41	VP	37,800	2,400	2,163	\$42,363

Comments: Local 41 represents freight drivers and dockmen in the Kansas City area and has been the home base of International Vice-President Roy Williams for years.

**John Clouts**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 41	S/T	39,400	2,400	2,677	\$44,477

Comments: See W. D. Clouse, above.

**Kenneth A. Cook**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 781	VP	32,382	-	5,875	2,500	\$40,757

Comments: Local 781 is the home of the Bernsteins, see their profiles above.

**Robert C. Cook**  
Atlanta, Georgia

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1972	SCT	Pol Cee	-	-	-	1,000	1,000
1972	LU 528	Pres.	31,032	682	489	-	32,203
1972	TOTAL						\$33,203
1973	SCT	Pol Cee	-	-	-	1,000	1,000
1973	LU 528	Pres.	47,333	320	2,888	-	50,541
1973	TOTAL						\$51,541
1974	SCT	Pol Cee	-	Retired	-	5,000	5,000

Comments: Cook retired from Union affairs effective January 1, 1974, yet the Southern Conference still gave him \$5,000 in 1974. In light of his retirement, Cook's dramatic salary increase seems questionable. His successor as President of the Local, Joe Vaske, only received \$35,603 in 1974.

Several other Cooks have been employed by Local 528. Carl Cook was listed as an "employee" in 1973 making a salary of \$30,638 plus expenses totalling \$1,728. Barbara Cook became an employee in 1974 at \$13,050 a year. In 1973 R. J. Cook was merely an "employee" making \$22,621 in salary and another \$2,000 in expense money. In 1974 he became the Local's Secretary-Treasurer at a salary of \$29,500 plus expenses and allowances of \$2500.

**Lester Connell**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	LU 816	S/T	23,183	-	1,085	24,268
1974	JC 16	R/Sec	5,842	-	-	5,842
1974	LU 816	S/T	53,943	-	283	54,226
1974	TOTAL					\$60,088



Comments: Connell retired as Secretary-Treasurer of Local 816 in 1974. When PROUD inquired about the huge increase in pay Connell received in 1974 we were told that the amount contained a "severance settlement". Vincent Connell was a Trustee of Local 816 in 1974 and earned nearly \$21,000 for his work.

#### Ralph L. Cotner

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Representative	23,269	1,800	23,531	862	49,462

Comments: No explanation was given as to why Cotner received so much in reimbursed expenses in 1974.

#### Theodore R. Cozza Pittsburgh, Pennsylvania

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org	12,916	4,945	-	27,861
1974	LU 211	Pres	26,000	7,800	277	34,077
1974	TOTAL					\$61,938

Comments: According to Walter Sheridan's book, *The Fall & Rise of Jimmy Hoffa*, Cozza has been arrested nine times and convicted on three occasions. In 1969, Cozza was indicted for taking illegal payments from the Pittsburgh Sun-Telegraph while his Local represented its employees. Testimony before the McClellan Committee revealed that Cozza had been on the newspaper's payroll during the 1960s and had received payments totalling \$75,000 plus \$25,000 in rental fees for a truck he owned. In spite of his record, Fitzsimmons made him a General Organizer and recently supported Cozza in an unsuccessful bid to win the Presidency of Pittsburgh Joint Council 40.

#### Marie Crapanzano New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 27	R/Sec	20,780	-	-	-	20,780
1974	LU 27 Pension Fund	Tee	-	750	-	-	750
1974	TOTAL						\$21,530

#### Patrick Crapanzano New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 27	BA	19,880	4,800	177	-	24,857
1974	LU 27 Pension Fund	Tee	-	750	-	-	750
1974	TOTAL						\$25,607

#### Patsy Crapanzano New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 27	S/T	33,600	1,200	-	233	35,033
1974	JC 16	Tee	3,600	-	-	-	3,600
1974	LU 27 Pension Fund	Adm. & Tee	18,562	750	-	-	19,312
1974	TOTAL						\$57,945

#### Robert Crapanzano New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 27	Pres.	37,800	4,200	206	411	42,617
1974	LU 27 Pension Fund	Tee	-	750	-	-	750
1974	LU 27 Production Workers Pension Fund	Adm.	15,757	-	-	-	15,757
1974	TOTAL						\$60,124

Comments: Local 27 is a small New York Local representing about 3,000 workers. Nearly 40% of its annual dues revenue of \$290,000 goes to the Crapanzano family. Father Patsy, Mother Marie, and their two sons also control the Local's pension funds.

#### Clyde Crosby Portland, Oregon

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen Org	36,000	9,657	417	\$46,075

Comments: Crosby came under close investigation by the McClellan committee for his role in helping the Portland underworld expand their gambling and jukebox operations in the mid-60s.

#### Anthony Cursio Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 710	BA	34,518	-	30	34,548
1974	LU 710 Welfare Fund	Tee	12,000	-	-	12,000
1974	TOTAL					\$46,548

#### Anthony Cusano Newark, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 73	S/T	5,250	400	15	5,665
1974	LU 408	Pres	29,900	264	572	30,736
1974	TOTAL					\$36,401

Comments: Local 408 represents about 2,000 Teamsters in the Newark area. Joint Council 73 is the bailiwick of the Provenzanos.

#### Leo Dalesio Baltimore, Maryland

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 311	S/T	31,800	1,765	4,740	\$38,305

Comments: Dalesio became President of Joint Council 62 in early 1975. The \$4,740 in "expenses" that Dalesio received in 1974 represent payment to his creditors by the Local Union. In addition, the Local created a Trust fund (#52-6066776 at the Maryland National Trust) in 1966 for Dalesio which will provide severance benefits to him in the event he should lose an election or otherwise be terminated as an elected officer. The market value of the trust was \$130,489 in 1974.

**Dan Darrow**  
Akron, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	LU 348	S/T	19,876	426	4,033	24,333
1973	LU 348	S/T	23,176	1,170	5,103	29,448
1974	JC 41	Director	1,100	—	—	1,100
1974	LU 348	S/T	26,918	570	7,195	33,683
1974	TOTAL					\$34,783

Comments: Darrow has received several loans from the Joint Council 41 Business Agents Pension Plan (see Appendix A) including an \$61,000 loan in 1973. Although it might seem that Darrow does not make enough to justify such a large loan, he somehow managed to pay off \$26,872 of the balance in 1974 alone.

Darrow is the administrator of Local 348's health and welfare fund which has made some questionable expenditures recently. In 1974 the fund incurred a "Christmas expense" of \$13,173 as well as a convention expense of \$10,552. In 1973 the fund spent nothing on "Christmas expenses" and only \$6,695 on convention expenses.

Local 348 represents close to 3,000 workers in the Akron area. Darrow has retained his position in spite of a conviction for rioting which he received for his part in the 1969 "FASH shootout" in Youngstown, Ohio.

**Harry Davidoff**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1970	LU 295	S/T	58,300	—	—	58,300
1971	LU 295	S/T	57,200	1,300	—	58,500
1972	LU 295	S/T	52,800	—	—	52,800
1972	LU 851	S/T	2,400	200	—	2,600
1972	TOTAL					\$55,400
1973	LU 851	S/T	31,200	2,600	885	34,685
1974	LU 295					
	Pension Fund	Tee	1,299	—	—	1,299
1974	LU 851	S/T	31,200	2,600	—	33,800
1974	LU 295/851					
	Welfare Fund	Tee	1,299	—	—	1,299
1974	TOTAL					\$37,150

Comments: By virtue of a 1966 resolution of Local 295's Executive Board, every officer receives a severance payment equal to one month's wages for every year of service. Thus Local 295's LM-2 reports noted that when Harry retired, the Local assumed a liability of \$52,000 for severance pay due an unnamed retired officer. In both 1973 and 1974 the Local reported paying out \$19,067 in severance pay to an unnamed retired officer and \$31,605 in pension payments to unnamed retired officers; all or part of this money each year went to Davidoff.

Harry was replaced by his son Mark as the head of the 2,500 member Local 295 which represents air freight workers at Kennedy International Airport. The \$50,000 plus salaries the Davidoffs have paid themselves are high even by Teamster standards considering the size of the Locals.

In July, 1970 the IBT General Executive Board granted a new charter to Harry Davidoff for Local 851 which would have jurisdiction over "Miscellaneous Production and Industrial Employees" of New York City and vicinity. Local 851, with Harry at the helm and Mark Davidoff on the Executive

Board, represents air freight workers at Newark Airport. Harry is the only full-time paid officer of Local 851.

Davidoff received a charter in spite of a long history of arrests and involvement in such activities as the New York City paper local debacle in the mid-50s. In the early 70s Davidoff was indicted for shaking down Trans-Caribbean Air Lines for \$9,627 in free tickets. The 1973 LM-2 for Local 295 reports a disbursement of \$11,449 for "reimbursement of legal fees to retired officer" which may have gone to pay for Davidoff's legal defense.

A 1973 General Accounting Office report on the operations of Local 295's Severance Trust Fund stated flatly that "The Plan was not originally formulated or administered in the best interests of its members." Among other things the fund bought individual policies for its participants instead of a group policy which resulted in plan members paying \$800,000 instead of \$10,000 in commissions to the insurance agency. In addition, the administrator of the fund drew an annual salary of \$86,877 which meant that each of the fund's 1,300 participants paid the administrator nearly \$65 a year.

**Mark Davidoff**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	LU 295	S/T	12,600	1,600	—	14,200
1973	LU 295	S/T	37,900	2,600	5,387	45,887
1974	LU 295	S/T	48,800	2,600	6,267	57,667
1974	LU 295					
	Pension Fund	Tee	1,299	—	—	1,299
1974	LU 295/851	Tee	1,299	—	—	1,299
1974	TOTAL					\$60,267

Comments: See the profile of Harry Davidoff, above.

**Frank C. DeBrouse**  
Washington, D.C.

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 55	R/Sec	—	150	—	150
1974	LU 639	Pres	36,480	—	2,368	38,848
1974	LU 639					
	Pension Fund	Tee	—	4,320	—	4,320
1974	LU 639					
	Welfare Fund	Tee	—	6,480	—	6,480
1974	TOTAL					\$49,798

Comments: DeBrouse has been under intense scrutiny and criticism by a local rank and file group who contend that he has signed substandard contracts, misused union funds, and allowed their pension fund to earn a very poor rate of return.

**Anthony dePalma**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	LU 473	S/T	20,250	—	2,464	22,714
1974	LU 473	S/T	25,700	—	2,183	27,883
		Local 473				

Comments: Local 473 represents Cleveland and Akron newspaper drivers. Anthony dePalma is one of Cleveland's lowest paid Teamster officials.



**Rocco F. DePerno**  
Utica, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	5,897	—	30,897
1974	JC 18	Pres	840	—	—	840
1974	LU 182	Pres	41,600	1,820	2,796	46,216
1974	Welfare Fund* (WP No. 065898)	Tee	—	3,648	2,025	5,673
1974	Welfare Fund* (WP No. 077392)	Tee	—	—	1,700	1,700
1974	Welfare Fund* (WP No. 063043)	Tee	—	3,344	2,015	5,359
1974	NY State Conf Pension Fund	Tee	—	—	7,060	7,060
1974	TOTAL .....					\$97,745

[\*Refers to Department of Labor file numbers — all funds cover various workers in upstate New York]

Comments: DePerno has been linked with Tony Provenzano in a kickback scheme involving the New York State Conference Pension Fund. According to news accounts, Provenzano told an undercover government informant that he had arranged a \$2.3 million loan from the fund which included a 10% kickback for DePerno. Later, DePerno allegedly agreed to arrange the loan in return for a mere 5% kickback.

Rocco F. DePerno, Jr. received \$13,172 from Local 182 in 1974 for serving as its "Administrator" as well as \$3,100 in fees from the New York Conference Pension fund.

**Albert Dietrich**  
Baltimore, Maryland

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	15,217	685	\$45,903

Comments: Dietrich is a veteran General Organizer whose specialty seems to be running Locals in the Eastern Conference that have been put under Trusteeship. In 1962 he ran Local 71 in Charlotte, North Carolina, in the early 70s he ran Local 800, the Local Fitzsimmons set up Steelhaulers to counter the rising appeal of FASH. Currently Dietrich is the Trustee of Local 592 in Richmond, Virginia. Dietrich's son Robert earned a salary of \$20,737 in 1974 plus \$11,857 in allowances and \$1,616 in expenses (a total of \$34,211) for serving as a "representative" of the Eastern Conference.

**Anthony DiGrazia**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 781	Rep	20,599	—	4,431	\$25,030

**A. Distini**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 16	R/Sec	4,350	—	—	4,350
1974	LU 277	Pres	41,600	—	—	41,600
1974	TOTAL .....					\$45,950

Comments: Local 277 represents only 1500 members yet it pays its President over \$40,000, or just under 20% of its annual revenue.

**M. Ralph Dixon**  
Dallas, Texas

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1971	IBT	Gen. Org.	27,356	8,232	708	—	36,296
1971	SCT	S/T	22,072	—	—	—	22,072
1971	Texas Conf.	Pres.	—	700	—	8,150	8,850
1971	TOTAL .....						\$67,218
1972	IBT	Gen. Org.	30,000	5,825	192	—	36,017
1972	SCT	S/T	14,801	—	—	—	14,801
1972	TOTAL .....						\$50,818
1973	IBT	Gen. Org.	30,000	5,137	—	—	35,137
1973	SCT	Retired	—	—	—	16,000	16,000
1973	TOTAL .....						\$51,137
1974	IBT	Gen. Org.	12,500	2,132	—	—	14,632

Comments: Dixon was head of the Texas Conference until 1971 when R. B. Bunch took over. He was also the number two man in the Southern Conference until Dusty Miller's son-in-law, C. Howard Jones took over in mid 1972. The Southern Conference gave Dixon a gift worth \$16,000 in 1973 and a car worth \$4,915 to his widow, Jennie K. Dixon in 1974.

**Ed Dorsey**  
St. Louis, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	Mo-Kans Conf.	VP	2,400	—	—	—	2,920
1974	JC 13	Pres.	3,300	—	859	—	4,159
1974	LU 618	S/T	28,750	3,800	4,889	2,693	40,132
1974	TOTAL .....						\$47,516

Comments: By virtue of his various positions Dorsey enjoys a variety of lucrative fringe benefits. The bylaws of Local 618 authorize Dorsey to travel anywhere he wishes in this country at the Local's expense to promote the interest and welfare of the Union. The Local will also pick up all the expenses of his wife if she cares to accompany him. While on out of town business trips Dorsey may take days off for rest and relaxation, either in the city where he is working or in other areas, and he may entertain for the purpose of establishing and maintaining contacts which may be beneficial to the Union. See Art. XII Sec. 2 of Local 618's bylaws. The Missouri-Kansas Conference bylaws also allow Dorsey to take days off while on out of town trips and to spend Union funds to provide entertainment for himself and his friends during non-working hours on out of town trips. Dorsey is also the beneficiary of a deferred compensation fund that his Local established for him. The fund allegedly contains unpaid compensation for the 19 year period from January, 1944 through December, 1962, was worth \$85,313 as of December 31, 1974. It was not created until 1962.

Dorsey was recently given a surprise 60th birthday party by St. Louis trucking industry executive Gene Slay that one St. Louis newspaper columnist described as "a night to remember for all hands with a great lineup of talent, a gourmet dinner and a raft of surprises for Dorsey". Slay runs a warehouse and shipping company in the St. Louis area that has a Teamster contract that allows it to pay its dock workers \$4.80 an hour and only \$21 a week in health and welfare and pension payments while the prevailing hourly rate under the National Master Freight Agreement approaches \$7.00 an hour supplemented by \$43 per week in welfare and pension payments.

Dorsey also heads up the International's National Automotive, Petroleum and Allied Trades Division.

**R. V. Durham**  
Greensboro, North Carolina

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Safety & Health Director	30,000	6,537	338	36,876
1974	LU 391	Pres	12,410	—	1,128	13,538
1974	TOTAL					\$50,414

Comments: Fitzsimmons established the Union's Safety and Health Department and appointed Durham its first director in October, 1973 in response to pressure generated by PROD. Today Durham has only one assistant, a recent college graduate who receives only \$11,000 a year, to help him tend to the safety and health concerns of the IBT's 2.3 million members. Durham himself devotes only part-time to his safety post as he still holds the Presidency of an 8,000 member Local and commutes weekly between Washington and Winston-Salem.

**Lou Edwards**  
Zanesville, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	OCT	VP	—	3,460	—	3,460
1974	JC 41	Director	1,100	—	—	1,100
1974	LU 637	S/T	25,436	—	3,175	28,611
1974	TOTAL					\$33,171

Comments: Edwards has signed a contract with Howell Transportation, Inc. that provides for wages of \$3.90 an hour for truck drivers at a time when the National Freight Agreement called for \$7.00 an hour. This contract makes no provision for a pension plan and only requires a health and welfare contribution of \$12.50 a week when drivers covered by the National Freight Agreement have \$21.50 per week paid on their behalf.

**Will P. Evans**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int Auditor	30,000	7,657	266	\$37,923

**Thomas L. Fagan**  
Pittsburgh, Pennsylvania

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 40	Pres	—	6,544	7,337	13,881
1974	JC 40					
	Pension Fund	Tee	—	1,125	530	1,655
1974	LU 249	Pres	22,780	3,430	2,868	29,078
1974	TOTAL					\$44,614

Comments: Fagan also serves on the Policy Committee of the Eastern Conference. Fagan was passed over for the position of General Organizer in favor of T. R. Cozza because Fagan supported George McGovern instead of Richard Nixon in 1972.

**James A. Farrington**  
Seattle, Washington

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int Auditor	30,000	8,657	1,774	\$40,432

**John Felice, Sr.**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 73	Pres	10,400	800	215	11,415
1974	LU 293	Pres	33,020	5,348	1,738	40,106
1974	LU 293					
	Welfare Fund	Tee	—	7,250	—	7,250
1974	TOTAL					\$58,771

Comments: According to the official proceedings of the 1971 Teamster Convention, the elder Felice was a delegate from both Local 73 and Local 293 in apparent violation of the IBT Constitution. Local 73 is a small Local of "Industrial and Allied Employees" formerly presided over by Babe Triscaro. Felice's salary from Local 73 in 1974 was double the \$5,200 it paid him in 1973. Local 293 represents about 2,000 beer drivers in the Cleveland area yet it manages to pay Felice and his son \$40,000 each.

Local 293's welfare fund makes relatively high payments to its trustees considering the other Union incomes of their trustees and the relatively small size of the fund. Both Felice and his son, John Felice, Jr. received \$7,250 each while Central States Pension Fund Trustee Bernard S. Goldfarb received \$6,250. Cleveland attorney Moses Krislov received at least \$46,500 in legal fees from the small funds affiliated with Felice's two Locals. According to one source, Krislov is associated with the troubled Canadian Javelin Ltd company which has been the recipient of a \$3.9 million loan from the Central States Fund and the object of repeated investigations by Federal authorities.

The elder Felice received a loan from the Joint Council 41 Business Agent's Pension Plan. The only information that the fund provided was that in 1969 the face amount of the loan was \$15,000, the balance outstanding at the end of the year was \$14,000 and that it was secured by his home. In 1970 the exact same information was provided which meant that Felice did not make repayments during that year. After 1970 there is no further mention of the loan to Felice which indicates that he either paid the loan off or it was forgiven.

**John J. "Skip" Felice**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 73	VP	10,625	500	—	11,125
1974	LU 293	S/T	24,024	9,866	4,130	38,020
1974	JC 41	R/Sec	4,100	—	—	4,100
1974	LU 293					
	Welfare Fund	Tee	—	7,250	—	7,250
1974	TOTAL					\$60,495

Comments: Skip Felice is a Trustee of Joint Council 41 Business Agents' Pension Plan, the Secretary-Treasurer of Ohio DRIVE, the Union's political arm in Ohio, and an Executive Committeeman of the *Ohio Teamster* newspaper. It is not known whether he receives any additional compensation for these duties.

Local 293 gave away two cars in 1972 to retiring officers. In 1974, the Local incurred "Christmas Expenses" of \$17,799.

**Edward Fenner**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Chicago Truck Drivers Union	Exec. Dir.	84,000	—	28	84,028
1974	CTDU Production Workers Local	Exec. Dir.	12,000	—	—	12,000
1974	TOTAL					\$96,028



Comments: Fenner's Union is totally independent from the Teamsters even though it represents some Chicago-area truck drivers.

Fenner's son Edwin, is a Field Representative for his father's Union and received a salary of \$26,151 in 1974 along with \$6,000 in allowances.

**Donald Fitzsimmons  
Pontiac, Michigan**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 614	Organizer	15,990	75	1,306	\$17,371

Comments: Donald Fitzsimmons is the son of the Union's General President. The International gave Local 614 an \$11,000 subsidy in 1974 to help defray the cost of hiring the young Fitzsimmons.

**Richard Fitzsimmons  
Detroit, Michigan**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	28,750	6,147	34	35,202
1974	LU 299	VP	30,784	250	64	31,098
1974	TOTAL					\$66,300

Comments: Richard Fitzsimmons is the son of Frank Fitzsimmons, the Union's General President.

**Howard Floyd  
Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 25	Tee	15,500	—	—	15,500
1974	LU 330	Pres	24,896	—	1,134	26,030
1974	Northern Illinois Teamster Pension Fund	Tee	—	2,100	—	2,100
1974	TOTAL					\$43,630

**Robert T. Flynn  
Bethesda, Maryland**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	7,497	452	37,950
1974	ECT	Member Pol/Cee	16,600	—	2,517	19,197
1974	TOTAL					\$57,147

Comments: Flynn is the son of the late General Secretary-Treasurer of the IBT, Thomas E. Flynn. He sits on the National Master Freight bargaining committee and is reputed to run the affairs of the Eastern Conference on a day-to-day basis.

**William Fountaine, Jr.**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Org.	24,154	1,800	16,470	862	\$43,286

Comments: It was not reported why Fountaine had so many "expenses" in 1974.

**George French**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Chm'n of a Trade Div.	30,173	1,800	11,063	862	43,898
1974	LU 117	VP	3,350	—	1,032	—	4,442
1974	TOTAL						\$48,340

Comments: French stepped down from his position as Vice-President of Seattle Joint Council 28 at the end of 1973 and cut back his responsibilities in Local 117 (which recently merged with Local 353) in order to devote more time to Conference affairs.

**Allen Friedman  
Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1971	LU 507	VP	31,200	—	1,361	32,561
1972	LU 507	VP	58,741	—	1,211	59,952
1973	LU 507	VP	36,400	—	1,224	37,624
1974	LU 507	VP	36,400	—	—	36,400
1974	Warehouse Local 752	Pres	1,000	—	2,023	3,023
1974	TOTAL					\$39,423

Comments: Allen Friedman is a long-time officer of Teamsters Local 507 and was one of the beneficiaries of the \$100,000 severance pay that was distributed among the top officers of that union in 1972. (See Chapter 7, "The Cleveland Connection" above and Harold Friedman below.) In 1973, Allen Friedman started his own Local, Warehouse, Industrial and Service Employees Union Local 752, which is not affiliated with the Teamsters or the AFL-CIO. Its stated jurisdiction would seem to conflict with at least two other Teamster Locals, Warehouseman's Local 507 and Service Employees Local 244, and thus make Friedman guilty of dual unionism. Local 752's 1973 LM-2 reported that the Local was liable to Friedman for \$20,800 in "accrued wages", however, the 1974 report indicates that Friedman collected \$1,000 of that amount in 1974 and then notified the Local's Executive Board that he was cancelling any claim or interest in the remaining \$19,800 due him.

Also serving with Allen Friedman on Local 752's Executive Board is Presser's lieutenant Andy Suckart. See his profile below.

**David Friedman  
Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Bakers Local 19	VP	10,750	—	—	\$10,750

**Harold Friedman  
Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1971	Bakers Local 19	VP	49,099	—	1,635	50,734
1971	Bakers Local 56	BA	2,000	—	—	2,000
1971	Bakers International Teamsters	Member of the General Executive Board	1,000	—	908	1,908
1971	Local 507		57,200	—	1,211	59,952
1971	TOTAL					\$114,594

(Con't. on following page)

Year	Division	Title	Salary	Allowances	Expenses	Total
1972	Bakers Local 19	VP	49,938	-	221	50,159
1972	Bakers Local 56	3A	2,000	-	-	2,000
1972	Bakers International	Member of General Executive Board	1,000	-	1,029	2,029
1972	Teamsters Local 507		122,881	-	1,930	124,811
1972	TOTAL					\$178,999
1973	Bakers Local 19	VP	65,373	-	126	65,499
1973	Bakers Local 56	BA	2,000	-	-	2,000
1973	Bakers International	Member of General Executive Board	1,000	-	838	1,838
1973	Teamsters Local 507	Pres	68,900	-	7,857	76,757
1973	TOTAL					\$146,094
1974	Bakers Local 19	Pres	99,954	-	97	100,051
1974	Bakers International	Member of General Executive Board	1,000	-	641	1,641
1974	Teamsters Local 507	Pres	80,800	-	1,134	81,934
1974	TOTAL					\$183,626

Comments: Harold Friedman is the son of Harvey Friedman, a nephew of William Presser, and a close associate of Jackie Presser. The members of Bakers Local 19 paid \$12 a month in union dues in 1974 which produced a total of \$441,343 in dues receipts for the Union's use. Approximately 22%, or around three dollars a month from every member of that Local went into Harold Friedman's pocket. In 1974 Teamsters Local 507 took in \$661,393 in dues and promptly turned around and gave 12% of it to Harold Friedman and another 12% to Jackie Presser.

See Chapter 7, "The Cleveland Connection" for more details on the financial affairs of both Local 507 and Bakers Local 19.

#### Harvey Friedman Cleveland, Ohio

Year	Division	Title	Salary	Allowances	Expenses	Total
1971	Bakers Local 19	Pres	43,334	-	5,888	49,222
1972	Bakers Local 19	Pres	45,575	-	5,312	50,887
1973	Bakers Local 19	Pres	44,924	-	360	45,224
1974	Bakers Local 19	Pres	10,000	-	58	10,058

Comments: Harvey Friedman was one of Bill Presser's brothers-in-law who ran Bakers Local 19 for several decades prior to his death in January, 1974. Harvey brought his own son Harold, and William's son Jackie into the Local as well. Thanks to a resolution of the Local's Executive Board, which created a severance fund for three of the Local's officers, Friedman's estate received \$141,730 in severance pay due Harvey when he passed away in 1974. This severance fund still had \$103,153 left in it at the end of 1974 after paying off the liability to Friedman's estate.

Whereas Harvey received a salary of "only" \$44,924 for presiding over Local 19 in 1973, his son Harold took a salary of \$99,954 for the same post in 1974.

#### Ronald M. Gamache St. Louis, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	CCT	Org.	14,227	3,847	602	18,676
1973	LU 688	S/T	18,120	1,680	2,046	21,846
1973	TOTAL					\$40,522
1974	JC 13	R/Sec	2,400	595	-	2,995
1974	LU 688	S/T	32,840	2,738	5,111	40,689
1974	TOTAL					\$43,684

Comments: Even though Gamache replaced Gibbons as Secretary-Treasurer during 1973, Gibbons still received a full year's salary from Local 688.

#### Hyman Gauzer Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	Tee	44,632	-	3,042	\$47,674

#### James Geoghegan New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 16	Member Advisory Board	3,600	-	-	3,600
1974	LU 282	Pres	27,694	-	2,059	29,753
1974	TOTAL					\$33,433

Comments: Local 282 represents Teamsters in the Construction Industry.

#### Donald F. Gillette Hallandale, Florida

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1970	LU 769	S/T	25,440	4,305	1,653	-	31,398
1971	LU 769	S/T	-	-	-	-	31,562
1972	LU 769	Pres.	17,325	2,682	871	-	20,878
1973	Ga-Fla Conf.	S/T	6,500	-	-	-	6,500
1973	LU 769	Pres.	28,445	3,438	145	-	32,028
1973	Florida Teamster Pension Trust	Tee	-	1,500	200	-	1,700
1973	TOTAL						\$40,237
1974	IBT	Gen. Org.	10,000	2,675	177	-	12,852
1974	Ga-Fla Conf.	S/T	7,500	-	-	-	7,500
1974	SCT	Org.	20,000	6,263	-	1,000	27,500
1974	TOTAL						\$47,860

Comments: Gillette was convicted of taking payoffs from employers on October 8, 1970 along with Joseph John Fischetti, a cousin of Al Capone and a "labor consultant" associated with Teamsters Local 769. According to press reports, Gillette and Fischetti were accused of accepting \$12,000 from the Bellows Development Company so that the company would not have to live up to a Union contract. Both men were sentenced to 6 months imprisonment, given a \$4,000 fine and placed on



probation for one year upon completion of imprisonment yet as the above figures indicate, Gillette retained his Teamster position and a handsome income. Gillette's influence and salary have even increased considerably since his imprisonment, inasmuch as Joseph Morgan, his former colleague in Local 769, put Gillette on the Southern Conference organizing payroll once he took over the Conference's reigns. Monitoring Gillette's handling of the books of the Georgia-Florida Conference is another Teamster official who has been convicted of taking payoffs from employers, Eli Schutzer, who serves as a Trustee of the Conference in spite of his 1972 conviction for taking payoffs.

**Joseph P. Glimco**  
**Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 777	Pres	27,950	-	-	\$27,950

Comments: Glimco has a long record of arrests and associations with leading organized crime figures. The court appointed Board of Monitors in the early 1960s tried to get Jimmy Hoffa to remove Glimco from Union office. In spite of his notoriety, Glimco's Local has received \$18,000 in "organizational grants" from the Central Conference in each of 1971, 1972, 1973 and 1974.

According to a 1974 article in the Chicago Tribune, an estimated \$600,000 in health and welfare funds of Teamster Local 777 disappeared while under the control of a court-appointed receiver.

**Norman Goldstein**  
**Hallandale, Florida**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	IBT	Ass't. to Dir. of Org.	32,083	7,100	2,098	-	41,281
1974	SCT	Org.	9,986	745	-	4,915	15,646
1974	TOTAL						\$56,932

Comments: A Law School graduate, Goldstein has specialized in organizing in the Georgia-Florida area for over a decade. He has held a variety of positions with Teamster organizations in the area including Business Agent for Local 290 in Miami, Secretary-Treasurer of Local 769 immediately preceding Don Gillette, and most recently, administrative assistant to Conference Director Joe Morgan. The \$4,915 in "Other" disbursements to Goldstein by the Southern Conference represents the value of a car that was given to him as a gift.

**Abe Gordon**  
**New York, New York**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 805	Pres	26,000	-	2,213	28,213
1974	LU 295					
	Welfare Fund	Adm	16,000	-	-	16,000
1974	LU 295					
	Pension Fund	Adm	16,000	-	-	16,000
1974	TOTAL					\$60,212

Comments: Local 805 represents 2,000 members in the confectionary and tobacco distributing trade. Back in the 1950s and early 1960s, the Local was frequently used as headquarters for the notorious Johnny Dioguardi as well as Milton Holt, who was the Local's Secretary-Treasurer for many years before he became a "labor consultant".

The Local's LM-2 reveals many highly unusual transactions. In 1965 Holt was still paid \$15,134 in spite of the fact that he was listed as the "past" Secretary-Treasurer. The next year he received \$15,600 as "office" help. During 1965, 1966 and 1967 respectively, the Local spent the following amounts for "resort expenses": \$33,256, \$17,888 and \$17,555.

Some of the Local's receipts are very mysterious. From 1971 through 1974 the Local reported receiving in the vicinity of \$58,000 per year in "Expenses reimbursed to Union" but would not

indicate the source of these funds. Like other Locals its size, Gordon's Local took in about \$300,000 in dues receipts annually; however, in the years 1968 to 1974, the Local recorded staggering amounts of "Other Receipts" (\$329,521 in 1968, \$252,435 in 1969, \$517,646 in 1970, \$421,386 in 1971, \$756,885 in 1972, \$854,120 in 1973 and \$302,052 in 1974). These amounts may represent funds "transferred", since the Local has been reporting the transfer of huge amounts in the last several years (\$575,000 in 1973, \$525,000 in 1972, \$150,000 in 1971, \$275,000 in 1970) without reporting precisely where the money comes from or where it is going. The Local collects and spends large amounts on an unspecified "annual affair". They paid out \$187,446 in expenses for their 1974 event and collected \$88,526 in advance for the 1975 happening.

PROD uncovered no other LM-2 form quite like Gordon's.

**William Graml**  
**Burlingame, California**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Chm'n of a Trade Div.	33,635	1,800	9,168	882	\$45,485

**Norman Greene**  
**Chicago, Illinois**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	CCT	Executive Asst.	29,744	2,737	2,892	35,373
1974	LU 781	Representative	13,000	-	80	13,080
1974	TOTAL					\$48,453

Comments: Greene used to be both a Central Conference Organizer and a representative of Chicago Local 713. When Local 713 merged with Joseph Bernstein's Local 781 in the early 1970s, Greene became a representative of Local 781. Ray Schoessling promoted Greene from Organizer to his Executive Assistant when he moved the Conference headquarters from St. Louis to Chicago.

**Jean Grihagne**  
**Washington, D.C.**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Chef	27,341	-	-	\$27,341

Comments: Grihagne's assistant, Alain Boineau, received a salary of \$12,102 in 1974 which was more than the lone assistant to the Safety Director received.

**Marvin K. Griswold**  
**Los Angeles, California**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 2707	S/T	30,250	-	9,095	\$39,345

Comments: Griswold is also the head of the International's Airline Division. Local 2707 is an offshoot of Andy Anderson's Local 986.

**John P. Hartigan**  
Bethesda, Maryland

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	30,000	8,257	716	\$38,974

**Lysie R. Hazelgrove, Jr.**  
Richmond, Virginia

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 83	S/T	16,260	-	4,293	20,553
1974	LU 322	Pres	14,095	150	557	14,812
1974	TOTAL					\$35,365

**Kenneth Hester**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	S/T	44,550	-	6,038	\$50,538

**John Hoh**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	10,377	82	35,459
1974	JC 16	VP	5,400	-	-	5,400
1974	LU 3	Pres	11,897	-	-	11,897
1974	TOTAL					\$52,756

Comments: Local 3 represents about 2,000 Brewery workers in the New York area.

**Elvin E. Hughes**  
Springfield, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	10,337	-	40,337
1974	Ill Conf	Pres	-	-	-	-
1974	JC 65	Pres	17,702	-	602	18,304
1974	LU 371	Pres	300	-	-	300
1974	TOTAL					\$58,941

Comments: Hughes along with a management trustee of the Illinois Conference of Teamsters Welfare Fund and several officials of an insurance firm was indicted on March 29, 1974 by a Justice Department Task Force on Organized Crime and charged with participating in a kickback scheme. The indictment was reportedly dismissed. It is not known if he will be re-indicted. In the meantime, Hughes has retired.

**Edward Hutnik**  
Newark, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 680	Pres.	25,920	-	1,545	755	\$28,220

Comments: On December 20, 1972, the members of Local 680 allegedly "voted" unanimously that any full-time officer employed by the Local for 10 or more years would receive at retirement the car he was then driving. The former President, Anthony Iorio, retired on January 1, 1974 and received a car with a book value of \$5,061.

More recently, U.S. District Court Judge Herbert J. Stern appointed a lawyer to represent retired members of Local 680 who are in danger of losing their pension benefits. The lawyer charged that the employer and union trustees of the fund have no interest in helping the retirees but were more interested in the company's well-being.

**David Johnson**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 295	Pres	41,935	-	1,829	\$43,764

**C. Howard Jones**  
Dallas, Texas

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1971	SCT	-	-	-	-	1,000	1,000
1971	IBT	Gen. Org.	28,115	9,387	1,628	-	39,130
1971	TOTAL						\$40,130
1972	IBT	Gen. Org.	30,000	10,145	2,030	-	42,175
1972	SCT	S/T Pol Cee	8,766	-	-	-	8,766
1972	TOTAL						\$50,941
1973	IBT	Gen. Org.	30,000	12,817	2,850	-	45,667
1973	SCT	S/T Pol Cee	22,298	-	-	-	22,298
1973	TOTAL						\$67,965
1974	IBT	Gen. Org.	30,000	10,537	2,515	-	43,052
1974	SCT	S/T Pol Cee	26,439	-	-	-	26,439
1974	TOTAL						\$69,491

Comments: Howard Jones is the son-in-law of former General Secretary-Treasurer Dusty Miller. Miller first employed Jones as an organizer for the Southern Conference in 1967. In 1969 Jones and fellow Conference organizer W. W. Teague each received a \$1,000 cash bonus and a brand new automobile worth \$7,915. Jones then left the Southern Conference payroll to become an International General Organizer yet the Southern Conference still gave him a \$1,000 gift in 1971. In mid-1972 Jones became the Secretary-Treasurer of the Southern Conference Policy Committee just months after his father-in-law became General Secretary-Treasurer of the International. The man Jones replaced, M. Ralph Dixon, received a \$16,000 gift from the Conference the year after he stepped down to make room for Jones.

**Glenn Jones**  
Richardson, Texas

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	30,000	10,537	2,515	\$43,052

**Jack J. Jorgensen**  
Minneapolis, Minnesota

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1973	IBT	Gen. Org.	25,000	6,217	-	-	31,217
1973	JC 32	Pres.	3,000	50	333	-	3,383
1973	LU 350	S/T	29,082	-	557	1,566	31,207
1973	TOTAL						\$65,807

(Con't. on following page)



Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen. Org.	28,760	6,087	137	—	34,985
1974	JC 32	Pres.		—	not available	—	
1974	LU 359	S/T		—	not available	—	
1974	TOTAL						not available

Comments: Jorgensen was convicted in the 1950s of taking illegal payments from an employer who offered money to several Teamster officials to organize miners who were then represented by a union on strike against the company.

The LM-2s of Local 359 and Joint Council 32 for 1974 were incomplete. The Joint Council did indicate that it had contributed \$81,532 in 1974 to Minnesota DRIVE, the union's political arm in Minnesota, and purchased a membership in the Midland Hills Country Club for \$600. The political contribution may have been unlawful. See 18 U.S.C. 610. The Central Conference gave Joint Council 32 a \$50,000 organizing grant in 1974.

In 1973, Jorgensen hired his son, Jack, Jr., as an organizer for Joint Council 32 and paid him nearly \$20,000. It could not be determined whether he was still on the payroll in 1974.

**William Joyce**  
Chicago, Illinois

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1973	CCT	Org.	14,667	—	—	—	14,667
1973	LU 710	S/T	122,716	—	—	12	122,728
1973	TOTAL						\$137,395
1974	CCT	Org.	22,000	—	—	—	22,000
1974	LU 710	S/T	134,568	—	—	11	134,579
1974	TOTAL						\$156,599

Comments: Local 710 represents almost 20,000 Teamsters scattered across the country. For example, UPS workers in the Indianapolis area are required to belong to Local 710 while road drivers living anywhere from Albuquerque, New Mexico to North Carolina might belong to Joyce's Local. This wide geographic distribution makes it extremely difficult for reformers to mount significant opposition to Joyce. They typically receive little or no representation from the distant Local.

It is surprising that the Central Conference would pay Joyce an organizer's salary while he was receiving such a huge salary for running his Local.

The President of Local 710, John Kelahan, also received over \$100,000 in 1974 while the Vice-President, August Szucs, made nearly \$70,000. The Local runs its own pension and welfare funds.

**Bernard Keegan**  
Chicago, Illinois

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	Chicago Truck Drivers Union	Pres.	63,300	6,000	—	—	\$69,300

Comments: Keegan is President of Ed Fenner's Union which has remained formally independent of the Teamsters. His son, Michael Keegan was the second highest paid "representative" of the CTDU in 1974 when he received \$41,506 for his efforts.

**John D. Kelahan**  
Chicago, Illinois

Year	Division	Title	Salary	Allowances	Expenses	Total
1973	LU 710	Pres	102,716	—	12	102,728
1974	LU 710	Pres	112,421	—	112	112,533

Comments: See William Joyce, above.

**Cecil J. Kinney**  
Cleveland, Ohio

Year	Division	Title	Salary	Allowances	Expenses	Total
1973	LU 407	VP	27,070	1,825	2,318	31,213
1973	LU 407 Insurance Fund	Tee	—	5,416	—	5,416
1973	TOTAL					\$36,629
1974	LU 407	VP	28,175	2,404	1,955	32,534
1974	LU 407 Insurance Fund	Tee	—	11,250	—	11,250
1974	TOTAL					\$43,784

Comments: For more information on Local 407, see the profile of Thomas Lee below.

**Joseph Konowe**  
New York, New York

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	5,777	—	30,777
1974	JC 16	Advisory Board	3,600	—	—	3,600
1974	LU 210	S/T	26,940	4,250	78	31,268
1974	TOTAL					\$65,645

**Peter Kurbatoff**  
Los Angeles, California

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	JC 42	Pres	59,359	—	10,836	\$70,195

Comments: Kurbatoff also serves as the President of Local 235 but received no compensation for filling that office. Joint Council 42 represents nearly 200,000 Teamsters and is second in size only to Chicago Joint Council 25.

**Roy C. Lane**  
Milwaukee, Wisconsin

Year	Division	Title	Salary	Allowances	Expenses	Total
1972	LU 200	Pres	25,969	1,530	307	27,807
1973	LU 200	Pres	28,319	2,600	452	31,372
1974	LU 200	Pres	30,620	7,000	238	37,858

Comments: Lane serves on the negotiating committee for the Central States portion of the National Master Freight Agreement. Local 200 is the home of Central States Pension Fund Trustee Frank Ranney.

On its 1974 LM-2 form, Kansas City Joint Council 56 lists disbursements of \$6,800 to Roy Lane, an "Organizer". It could not be determined if this was a payment to Mr. Lane of Milwaukee.

**Thomas Lee**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	LU 407	S/T	20,300	1,700	2,017	24,017
1973	LU 407	S/T	27,070	3,075	1,681	31,826
1973	LU 407 Insurance Fund	Tee	—	5,416	—	5,416
1973	TOTAL					\$37,242
1974	JC 41	Tee	1,100	—	—	1,100
1974	LU 407	S/T	28,155	2,979	2,138	33,292
1974	LU 407 Insurance Fund	Tee	—	11,250	—	11,250
1974	TOTAL					\$45,642

Comments: Local 407 is a large Cleveland freight Local representing nearly 10,000 members in the trucking industry. It has its own officers' severance fund which is used to supplement the handsome benefits the International and Joint Council 41 provide. In 1974 the Local reported paying \$23,184 into its severance fund on top of \$40,152 in pension payments to unnamed individuals. In 1972 and 1973 the Local sold five cars, two late model Cadillacs and three Oldsmobiles, to various retiring officials for a grand total of \$11. See Appendix C for details.

The Local's health insurance fund, which rewarded Lee, John Tanski (the Local's President), and Cecil Kinney (the Local's Vice-President), with generous fees in 1973, is headquartered in the Cleveland Law Offices of Bernard S. Goldfarb, an employer Trustee of the Central States Pension Fund. Local 407's Fund paid Bernard S. Goldfarb, Inc. \$162,000 in 1973 and \$192,000 in 1974 for "Office salary, rent, utilities for maintenance of funds".

Lee may also be receiving payments from the Ohio Conference of Teamsters which disbursed \$23,807 to unnamed Ohio Teamster officials in 1974.

**Gillis Jack Littleton**  
Chattanooga, Tennessee

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	DRIVE Field Rep	17,995	12,817	4,512	\$35,325

Comments: DRIVE is the Union's political arm.

**G. Lonergan**  
Jersey City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	JC 73	R/Sec	5,250	400	167	—	5,817
1974	LU 641	S/T	37,300	466	238	186	38,190
1974	TOTAL						\$44,007

Comments: Lonergan took over the post of Secretary-Treasurer upon the death of former International Vice-President, Dominick Calabrese. Local 641 represents about 5,000 freight workers in northern New Jersey, yet its officers are higher paid than those of neighboring Local 560 which is a much larger Local. Local 641 bought seven \$9,000 automobiles for its officers in 1974 and reported paying \$74,761 into unspecified pension funds, presumably on behalf of its officers and employees. This amount was more than double what the Local had paid in 1973 or 1972 yet the Local did not offer any explanation for the sudden increase.

In 1971 Lonergan received nearly \$3,000 from the International for serving on the key Constitution Amendments Committee.

**Richard Lyter**  
Little Falls, Minnesota

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	30,000	12,377	2,622	\$45,000

**Vito Mango**  
Columbus, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 413	Pres	30,258	500	358	\$31,116

Comments: The 10,000 member Local 413 was recently put into trusteeship by the International for alleged financial mismanagement. A U.S. Department of Justice Strike Force on Organized Crime is investigating the Local for ties to Chicago mobsters who were allegedly bleeding the Local's treasury. The Local's 1974 LM-2 contains several suspicious items. The Local apparently has incurred debts recently totalling \$217,247 and has only managed to repay \$113,363 of them. Schedule 11 of the Local's reporting form indicates payments of \$81,916 for a "Dental Plan" to an unspecified "Labor Health Plan" in addition to disbursements of \$82,968 to unspecified pension and welfare funds. In 1974 alone the Local reported making transfers of \$107,436 as well as spending \$60,819 on committee and meeting expenses and \$19,969 on travel.

**Charles Martelli**  
Long Island City, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 814	S/T	22,340	1,520	1,802	\$25,662

Comments: Martelli is also head of the International's Household Goods, Moving and Storage Trade Division. Local 814 represents almost 5,000 movers, packers, and furniture handlers in the New York area.

**R. Mascuch**  
Newark, New Jersey

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	LU 680	S/T	25,920	—	1,079	1,087	28,087

Comments: See the portrait of Edward Hutnik, above.

**Weldon L. Mathis, Jr.**  
Atlanta, Georgia

Year	Division	Titles	Salary	Allowances	Expenses	Total
1971	IBT	Organizer	18,000	8,072	288	26,361
1972	IBT	Organizer	19,080	18,025	3,406	40,511
1973	IBT	Special Org.	19,080	7,577	—	26,657
1974	IBT	Special Org.	8,590	3,612	502	12,705
1974	LU 728	Employee	17,241	1,600	331	19,172
1974	TOTAL					\$31,877

Comments: Weldon Mathis, Jr. is the son of International Vice-President Weldon Mathis who serves as Frank Fitzsimmons' Executive Assistant. On the 1971 LM-2 for Local 728, a W. L. Mathis is listed as receiving a salary of \$18,769. PROD could not be sure if this was Weldon Mathis, Jr. or Wilbur Mathis. The younger Mathis' disbursements from the IBT in 1972 include an extraordinarily high amount of "allowances" yet no explanation was given by the IBT on its LM-2 form.



**Wilbur Mathis**  
Atlanta, Georgia

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	LU 728	Employee	20,894	—	—	20,894
1973	LU 728	Employee	21,808	—	—	21,808
1974	LU 728	Employee	23,200	1,930	449	25,579

Comments: Wilbur Mathis is the brother of IBT Vice-President Weldon Mathis.

**Lawrence McDermott**  
Jersey City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1973	LU 641	Pres.	37,300	—	435	1,184	38,919
1974	LU 641	Pres.	42,900	456	20	137	43,514

Comments: McDermott's son received \$18,245 in 1974 from Local 641 for serving as an "office" employee. The Local employs one other "office" employee, R. Kenny, and pays him a salary of \$33,975! Good office help must be hard to find in northern New Jersey. For more information on Local 641 see the portrait of G. Lonergan above.

**Rolland McMaster**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	11,417	569	\$41,987

Comments: McMaster has long been known as one of Jimmy Hoffa's and later Frank Fitzsimmons' henchmen. He has spent 18 months in jail for taking illegal payments from the head of Youngstown Cartage. While on special assignment with the *Detroit Free Press*, free-lance journalist Dan Moldea discovered that McMaster had headed up a special Teamster organizing squad that was to sign up owner-operators. The so-called "McMaster Task Force" reportedly spent several million dollars between 1971 and 1973 and only produced several hundred members. The organizing campaign was allegedly marred by violence, the signing of substandard contracts and other suspicious activities.

**Ted Merrill**  
Los Angeles, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	9,137	7,331	\$46,468

**James V. Metz**  
Jackson, Mississippi

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 891	Pres.	22,400	—	967	4,665	\$28,032

Comments: Local 891 represents about 1,000 members in the Jackson area. The \$4,665 in "other disbursements" Metz received in 1974 was not otherwise identified on the Local's LM-2.

**Richard Milone**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 541	VP	44,635	2,548	1,515	48,698
1974	JC 56	Organizer	2,400	—	—	2,400
1974	TOTAL					\$51,098

**Verne Milton**  
Burlingame, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	9,137	7,331	\$46,468

Comments: Milton is the chairman of the Western Conference Freight Division and an important member of the Union's National Master Freight negotiating committee.

**Bruce C. Mohn**  
Burlingame, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	27,500	7,777	1,003	\$36,280

Comments: Mohn is the son of Einar Mohn, the former Director of the Western Conference.

**Paul V. Murphy**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	30,000	10,577	2,784	\$43,362

**F. J. Murtha**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	IBT	Gen. Org.	30,000	5,145	—	35,145
1972	Central States Pension Fund	Exec. Secy.	66,344	—	—	66,344
1972	TOTAL					\$101,489
1973	IBT	Gen. Org.	30,000	6,137	115	36,252
1973	Central States Pension Fund	Ret. Admin.	34,384	—	—	34,384
1973	TOTAL					\$70,636
1974	IBT	Gen. Org.	30,000	5,217	—	35,217
1974	Central States Pension Fund	Ret. Admin.	21,600	—	—	21,600
1974	TOTAL					\$56,817

Comments: Murtha received a loan from the International in the late 1950s for more than \$40,000 to pay for a home in Skokie, Illinois. As of December 31, 1974 he owed \$8,600 to the IBT on this loan. According to the International's 1975 LM-2 which PROD obtained just before going to press, Murtha made no repayments in 1975.

Murtha serves as the Recording Secretary of the Central States Drivers Council and on various Union negotiating committees.

**Delbert Nabors**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Mo-Kans Conf	Org.	6,000	—	—	6,000
1974	LU 41	Org.	32,400	2,400	666	35,466
1974	TOTAL					\$41,466

Comments: Nabors takes orders from Kansas City Teamster chief Roy Williams, who heads both the Missouri-Kansas Conference and Local 41.

**John Nardi**  
Cleveland, Ohio

Year	Division	Title	Salary	Allowances	Expenses	Total
1974	JC 41	Employee	17,000	—	—	17,000
1974	LU 410	S/T	34,750	—	339	35,039
1974	LU 507	BA	15,600	—	—	15,600
1974	TOTAL .....					\$67,639

Comments: Nardi was indicted for labor racketeering and marijuana smuggling in late 1975. Both Pressers have Nardi on their payrolls; William pays him out of Joint Council 41 funds while Jackie carries Nardi on the books of Local 507 as a "Business Agent". Local 410, Nardi's home base, is the jukebox Local that employed Joe Blumetti.

**William Neidig**  
Bethesda, Maryland

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	ECT	Representative	23,666	9,177	640	33,484
1974	ECT	Representative	25,147	11,097	1,125	37,370

Comments: Neidig is a former officer of Local 992 in Hagerstown, Maryland

**William Nuchow**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 840	Pres.	21,900	180	4,901	1,476	\$28,457

Comments: Local 840 represents about 1,000 members in New York City and took in a little over \$100,000 in dues revenue in 1974. Nuchow is the only full-time paid officer. He was indicted in March, 1973 for permitting a convict, Pablo Berrios, to hold office in violation of the Landrum-Griffin Act. The charge was dismissed in February, 1974.

**Charles O'Brien**  
Hallandale, Florida

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	9,497	698	35,195
1974	LU 299	BA	5,400	—	—	5,400
1974	TOTAL .....					\$40,595

Comment: O'Brien has been mentioned frequently in connection with the disappearance of Jimmy Hoffa.

**Harold J. O'Brien**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 25	Tee	6,000	—	—	6,000
1974	LU 734	Pres	34,620	213	4,910	39,743
1974	TOTAL .....					\$45,743

Comments: O'Brien is also the Secretary-Treasurer of the National Bakery Conference.

**Mark J. O'Reilly**  
San Francisco, California

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1973	LU 860	S/T	35,000	270	4,568	717	40,555
1974	JC 7	S/T	3,300	300	—	—	3,600
1974	LU 860	S/T	39,570	2,886	2,440	862	45,758
1974	TOTAL .....						\$49,358

Comments: O'Reilly also serves on the Western Conference Policy Committee.

**Thomas Owens**  
Washington, D.C.

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	33,750	9,337	6,600	\$49,688

Comments: Even though the salaries of General Organizers are limited by the IBT Constitution to \$30,000, Owens received \$35,000 in 1975. He also heads the National Building Materials and Construction Trade Division of the International.

**Everett Oxyer**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 507	Tee	19,350	—	690	20,040
1974	Bakers Local 19 Pension Fund	Adm.	21,500	—	—	21,500
1974	Bakers Local 19 Welfare Fund	Adm.	4,725	—	—	4,725
1974	TOTAL .....					\$46,265

Comments: For more information on the relationship between Teamsters Local 507 and Bakers Local 19, see Chapter 7, "The Cleveland Connection".

**Joseph Panker**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	CCT	Chauf.	11,297	—	39	\$11,336

**Gid Parham**  
Atlanta, Georgia

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	SCT	Org.	32,811	9,978	—	\$42,789

Comments: Parham just joined the Southern Conference Policy Committee in 1974.

**Hubert L. Payne**  
Birmingham, Alabama

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 87	Pres		— no compensation reported —		
1974	LU 519	Pres	20,720	2,071	—	22,791
1974	SCT	Pol Cee	—	1,000	—	1,000
1974	TOTAL .....					\$23,791



**Joseph Pecora**  
Newark, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	JC 73	VP	5,260	400	—	—	5,660
1974	LU 863	S/T	48,330	—	—	—	48,976
1974	TOTAL						\$54,626

Comments: Pecora's associations with organized crime figures have been widely reported. A Senate Commerce Committee in 1971-1972 listed Joseph Pecora and his brother Thomas "Timmy Murphy" Pecora as members of the Mafia family of the late Vito Genovese. That committee probed, among other things, how Pecora had used his influence to pressure A&P into carrying an inferior brand of detergent. Pecora is also the Vice-President of Joint Council 73 which has long been under the domination of Anthony Provenzano.

Pecora was indicted on August 19, 1971 for embezzlement, making false entries and false reports, and destruction of records. The indictment was, however, dismissed in November, 1974.

Local 863's LM-2 for 1974 indicated that the Local has \$377,142 set aside as a "Reserve for Retirement Benefits". PROD found no other example of any Teamster Local with anywhere near that much money set aside under that designation.

Pecora's son, Joseph, Jr., is the Vice-President of Local 863 for which he received a salary of \$33,900 in 1974. Another relative, Thomas Pecora, is the General Manager of Federico Trucking Company yet he holds a Local 863 Union card along with the owner and other top management of the company whose drivers belong to Teamsters Local 202.

**Donald Peters**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	5,857	—	30,857
1974	LU 743	Pres	73,938	—	5,429	79,367
1974	Central States Pension Fund	Tee	—	27,980	5,164	33,144
1974	TOTAL					\$143,368

Comments: Peters has presided over Local 743 since the 1940s. It now represents over 30,000 members in the Chicago area, chiefly those employed in large retail outlets, offices and various warehouses.

Peters has been a trustee of the Central States Pension Fund for many years and has been business partners with other trustees and Allen Dorfman. The fund in turn has treated him well. In 1971, Peters reported receiving \$1,598 in allowances and expenses from the fund. The next year that amount increased to \$14,920 and continued to increase in 1973 to a healthy \$41,480. In 1974, the amount he received dipped to \$33,144 but at the rate of \$400 per diem in allowances that the trustees paid themselves, the reported figures indicate that Peters spent close to 70 days on fund affairs while still drawing a salary from his Local that was nearly \$30,000 higher than that paid to any other officer.

One of the large health and welfare plans that cover 10,000 members of Peters' Local paid out almost \$3.7 million in premiums to Republic National Life Insurance and more than \$200,000 in service fees to two companies controlled by Allen Dorfman — Amalgamated Insurance Agency and the Union Insurance Agency.

**Harry Peters**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	Tee	45,173	—	5,058	\$50,231

**Wendell J. Phillips**  
San Francisco, California

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Pol Cee	9,981	1,400	—	674	12,055
1974	WCT Pension Fund	Tee	—	1,225	1,106	—	2,331
1974	LU 484	R/Sec	23,400	—	670	—	24,070
1974	TOTAL						\$38,456

Comments: Phillips served as chairman of the Western States Representatives Retirement Plan as well as on the Conference Policy Committee. Local 484 is a small Bakery Drivers local serving Bay area Teamsters.

**W. L. Piland**  
Dallas, Texas

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1972	JC 80	Pres.	1,000	—	—	—	1,000
1972	LU 745	S/T	27,500	4,200	145	200	32,045
1972	TOTAL						\$33,045
1971	JC 80	Pres.	—	— no compensation reported —			—
1971	LU 745	S/T	22,800	4,250	83	4,300	31,433
1973	JC 80	Pres.	—	—	—	775	775
1973	LU 745	S/T	32,900	5,625	51	3,448	42,024
1973	TOTAL						\$42,799
1974	JC 80	Pres.	1,100	—	—	750	1,850
1974	LU 745	S/T	34,200	4,875	445	200	39,720
1974	TOTAL						\$41,570

Comments: Piland is also the Secretary-Treasurer of the Texas Conference of Teamsters but its LM-2 reports indicate that he receives no compensation for his services. The Texas Conference has given quite a few gifts to various Teamster officials including a \$1,500 gift to Piland himself in 1969. (See also the sketches of Dusty Miller, Joe Morgan and R. B. Bunch above). Local 745 gave various officials such as Joe Morgan and W. C. Smith gifts in 1974. The Local also gave "other disbursements" of \$4,000 to 5 Business Agents and two officers of the Local.

**Frank Pinto**  
Jersey City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 617	Pres	35,370	—	—	\$36,737

Comments: Pinto is also the trustee of various Northern Jersey Pension and Welfare funds.

**John Pisano**  
New Haven, Connecticut

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	JC 64	Treas.	—	—	2,421	500	2,921
1974	LU 443	S/T	44,754	272	—	—	45,026
1974	TOTAL						\$47,947

Comments: Pisano was indicted on June 28, 1971 along with three other officers of Joint Council 64, Fred J. Roberto, Henry Dauphinais and Edward Rice, for embezzlement and conspiracy to embezzle. All four were acquitted on April 17, 1973.

Local 443 represents about 4,500 workers in the New Haven area and carries on its books "Severance Obligations" to unnamed individuals of \$32,000.

**Vincent Pisano**  
**New Haven, Connecticut**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	JC 64	Sec	-	-	600	200	800
1974	LU 443	Tee/BA	31,611	807	-	-	32,418
1974	TOTAL						\$33,218

**Jackie Presser**  
**Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1971	JC 41	Tee	1,100	-	-	1,100
1971	LU 507	S/T	57,200	-	7,954	65,154
1971	Bakers Local 19	BA	12,000	-	-	12,000
1971	Bartenders Local 10	Pres	19,500	-	-	19,500
1971	TOTAL					\$97,754
1972	IBT	Gen. Org.	28,897	6,469	289	35,655
1972	JC 41	R/Sec	1,100	-	-	1,100
1972	LU 507	S/T	123,981	-	1,685	125,666
1972	Bakers Local 19	Fin Sec'y	12,000	-	-	12,000
1972	Bartenders Local 10	Pres	19,500	-	-	19,500
1972	TOTAL					\$193,921
1973	IBT	Gen. Org.	30,000	5,777	71	35,849
1973	JC 41	R/Sec	1,100	-	-	1,100
1973	LU 507	S/T	70,200	-	7,717	77,917
1973	Bakers LU 19	Fin Sec'y	14,923	-	-	14,923
1973	Bartenders LU 10	Pres	19,500	-	-	19,500
* 1973	Bartenders International	Organizer	11,000	4,630	301	15,931
1973	TOTAL					\$168,832
1974	IBT	Gen. Org.	30,000	5,737	77	35,815
1974	OCT	R/Sec	-	800	-	800
1974	JC 41	VP	6,270	-	-	6,270
1974	LU 507	S/T	82,300	-	2,316	84,616
1974	Bakers Local 19	Fin Sec'y	12,692	-	13	12,705
1974	Bartenders LU 10	Pres	19,500	-	-	19,500
** 1974	Bartenders International	Organizer	12,000	4,590	-	16,590
1974	TOTAL					\$176,571

\*Represents payments from 5/1/73 to 4/30/74

\*\*Represents payments from 5/1/74 to 4/30/75

Comments: In addition to the above-listed offices, Jackie Presser holds other influential positions. He currently serves as head of Ohio DRIVE (the Union's political arm in Ohio), the chairman of the board of the *Ohio Teamster* newspaper, and trustee of numerous pension funds including the Central States Pension Fund, Teamsters Local 507 Pension Fund, Bakers' Local 19 Pension Fund, and Joint Council 41 Business Agents Pension Plan. Presser also heads up the International's National Energy Haulers Organizing Committee, a unit designed to organize truck drivers who haul coal from the fields to railroads and proposed coal-liquefaction plants. Presser

apparently feels that this would be the first step in creating a new trade division within the Union, so-called "Energy" Division, with himself at the head. Presser seems to be maneuvering himself into a position to take over all his father's positions when the elder Presser retires. Jackie has been moving up in Joint Council 41 and recently became an officer of the Ohio Conference. The huge increase in Presser's reported income from 1971 to 1972 (almost a \$100,000 raise!) testifies to his increased prominence as well as his willingness to designate union funds for his own use. See generally Chapter 7, "The Cleveland Connection" for more information on Presser's financial dealings.

Outside of the Teamsters Union Presser has great influence. He controls one Local of the Hotel, Restaurant and Bartenders Union in addition to serving as one of its international Organizers. He also has great influence in Cleveland city politics. In December, 1975 Presser made a concerted effort to gain control of a lucrative liquor business. One of his business partners in that venture was the Treasurer of the Cuyahoga County (Cleveland) Democratic Party Robert Moss, who also serves as a Vice-President of Leaseway Transportation, a firm that employs many Ohio Teamsters through its various subsidiaries such as Anchor Motor Freight.

**Abe Price**  
**Long Island City, New York**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	JC 16	S/T	7,483	-	90	-	7,573
1974	LU 138	S/T	14,912	-	-	-	14,912
1974	TOTAL						\$22,485

**Paul W. Priddy**  
**Louisville, Kentucky**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	7,377	-	32,377
1974	JC 94	Pres	3,600	-	-	3,600
1974	LU 89	Pres	32,360	7,129	1,871	41,360
1974	TOTAL					\$77,327

**Anthony Provenzano**  
**Union City, New Jersey**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1962	IBT	VP	12,000	4,487	1,166	-	17,654
1962	JC 73	Pres.	8,400	-	-	-	8,400
1962	LU 560	S/T	20,800	1,500	2,637	897	25,834
1962	TOTAL						\$51,888
1963	IBT	VP	12,000	3,370	686	-	16,023
1963	JC 73	Pres.	12,000	-	-	-	12,000
1963	LU 560	S/T	20,800	-	3,444	-	24,244
1963	TOTAL						\$52,267
1964	IBT	VP	12,000	3,370	1,155	-	16,525
1964	JC 73	Pres.	10,000	-	-	-	10,000
1964	LU 560	S/T	21,200	-	3,867	-	25,067
1964	TOTAL						\$51,592
1965	IBT	VP	16,333	4,970	1,533	-	22,836
1965	JC 73	Pres.	8,000	-	-	-	8,000
1965	LU 560	S/T	20,800	-	3,886	-	24,686
1965	TOTAL						\$55,522

(Con't. on following page)



1966	IBT	VP	8,883	2,080	=	=	8,963
1966	JC 73	Pres.	5,000	=	=	=	5,000
1966	LU 560	S/T	7,200	=	2,627	600	10,327
1966	TOTAL						\$24,290
1967	JC 73	none	=	=	=	3,000	3,000
1969	LU 560	none	=	=	=	22,850	22,850
1970	LU 560	none	=	=	=	25,000	25,000
1971	LU 560	none	=	=	=	25,000	25,000
1972	LU 560	none	=	=	=	25,000	25,000
1973	LU 560	none	=	=	=	25,000	25,000
1974	LU 560	none	=	=	=	25,000	25,000

Comments: In December of 1962 Provenzano was granted a \$25,000 pay raise at a meeting attended by less than 2% of the Local's membership and in early 1963 he was granted another \$50,000 pay raise by his Local. Yet, Provenzano did not take any of these increases, which would have boosted his earnings to well over \$125,000 at a time when the President of the United States was only making \$100,000. Instead, he set aside these "raises" into a fund which he started to draw in 1969 while he was in prison serving time for extorting money from Dohrn Transportation. As the figures above indicate, he has been receiving this money in \$25,000 chunks. As of December 31, 1974, the Local reported still owing him \$98,785.

Several other aspects of Provenzano's finances should be noted. Under Local 560's bylaws, Provenzano was authorized to spend "reasonable amounts" to entertain for the purpose of maintaining contacts which may be beneficial to the Union. Local 560 also established a special severance fund for its officers and business agents which had nearly \$100,000 in it at the end of 1963. Since the Local provided only the barest information on this fund, it could not be determined if Anthony Provenzano had received any of that money while he was in jail.

Provenzano officially resigned his International Union posts on May 4, 1966 and entered prison shortly thereafter for nearly four and a half years. Because of the Landrum-Griffin Act, he was barred from union office for five years after his release from prison. When he became eligible again to hold union office, his brother Nunzio stepped aside as Secretary-Treasurer so that Tony would have a place on the Executive Board. Judging from the Local's past practices, Provenzano is currently earning anywhere between thirty and fifty thousand dollars from the Local in addition to the \$25,000 chunks of his "deferred compensation" that he has been receiving since 1969. It has been rumored that Frank Fitzsimmons has appointed Provenzano as a General Organizer. If so, this would net Provenzano another \$30,000 to \$50,000 a year and may catapult him into the already crowded \$100,000-a-year club.

Provenzano's troubles with the law are almost legendary. Back in the early 1960s he was investigated for accepting a house from a New Jersey trucking industry executive as well as for the racketeering activities for which he was eventually imprisoned. More recently he has been under indictment for a kickback scheme involving the New York State Conference of Teamsters Welfare and Pension Plan (see the profile of Rocco DePerno above) and under investigation for possible kickbacks involving a loan from a Northern New Jersey Welfare Fund in which Local 560 participates. (see the profile of Salvatore Briguglio above). Finally, it has been reported that a Hartford, Connecticut grand jury has charged Provenzano with receiving \$150,000 from some pension fund for his efforts on behalf of an applicant who wanted a loan to build a massive jai-alai arena with gambling playrooms attached.

Provenzano's brothers have not escaped scrapes with the law either. Brother Salvatore, an International Vice-President, has been indicted for conspiracy to counterfeit currency, food stamps and postage stamps while his brother Angelo is a Vice-President of Eastern Freightways, a company that has been under investigation by the ICC, the SEC, the DOT and the Justice Department in connection with its efforts to take over Associated Transport, a much larger trucking company.

#### Nunzio Provenzano Union City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 560	S/T	28,600	=	853	\$29,453

#### R. L. Rampy San Francisco, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	JC 23	Pres	6,892	4,940	272	12,104
1973	LU 53	S/T	13,844	480	245	14,569
1973	TOTAL					\$26,673
1974	IBT	Int. Auditor	30,000	10,577	2,784	43,362

#### Frank Ranney Milwaukee, Wisconsin/Coral Springs, Florida

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	5,457	8	35,466
1974	LU 200	Tee	12,909	=	=	12,909
1974	Central States Pension Fund	Tee	=	59,840	16,519	76,359
1974	TOTAL					\$124,734

Comments: In 1972 the Central States Pension Fund reported paying Ranney only \$15,300. That amount mysteriously jumped to \$65,000 in 1973 and \$76,350 in 1974. At the rate of \$400 per day plus expenses, Ranney must have spent roughly 150 days on Fund business which would have left him little time to serve either the IBT or Local 200.

Ranney serves with fellow Central States Fund trustees Roy Williams, Frank Fitzsimmons, and William Presser on the Central States Drivers Council, which negotiates contracts and settles grievances with trucking industry employees in the Mid-West. Fitzsimmons also appointed Ranney International Trustee over recalcitrant Local 695 in Madison, Wisconsin which would not subscribe to the International's pro-Nixon political line. It is hard to tell how active a presence Ranney maintained since he signed four of the six periodic Trusteeship reports on file with the Department of Labor from Coral Springs, Florida where he reportedly has a home.

Local 200 pays Ranney more than its two other trustees who received only \$3,710 and \$2,710 respectively in 1974.

#### Louis D. Richard Los Angeles, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Org.	16,866	12,375	3,061	\$32,103

Comments: Richard is affiliated with Los Angeles Local 986, the home base of Western Conference Director M. E. "Andy" Anderson.

#### Michael J. Riley Los Angeles, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 986	S/T	37,400	=	1,643	\$39,043

Comments: Riley started out 1974 as the President of Local 986 but midway through August, he switched places with then Secretary-Treasurer M. E. "Andy" Anderson.

**Loran Robbins**  
Indianapolis, Indiana

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Indiana Conf	Pres.	11,200	=	28	11,228
1974	JC 69	Pres.	= no compensation reported =			
1974	LU 135	Pres.	31,008	=	277	32,085
1974	TOTAL					\$43,313

Comments: Local 135 represents the freight drivers and dockmen in the Indianapolis area. Robbins has been a long-time supporter of International Vice-President Roy Williams. In July, 1975, Robbins was appointed Safety and Health Coordinator for the Central Conference.

The Indiana Conference of Teamsters took in \$368,105 in 1974 and promptly poured \$139,965 of that into the Indiana Conference Severance and Retirement Fund which was created in September, 1962 to pay severance benefits to full-time paid representatives of all Locals affiliated with the Conference. These officials are of course also covered by the International's Affiliate's Pension Fund which pays a handsome severance benefit.

**Frank J. Roberto**  
Bridgeport, Connecticut

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen. Org.	27,919	7,105	103	=	30,125
1974	JC 64	Pres.	=	=	2,573	500	3,073
1974	LU 191	S/T	27,300	=	4,522	=	31,822
1974	TOTAL						\$65,020

Comments: Roberto was indicted on charges of embezzling the funds of Joint Council 64 in mid-1971 but was acquitted in April, 1973. Local 191 reimbursed two of its trustees, Mario Salvatore and Anthony Rosetti and a Business Agent, Joseph Scott, for expenses totalling \$9,617, \$10,465, and \$11,501 respectively on top of paying them salaries of \$27,000 each. Such large reimbursements for expenses are unusual for a 4,000 member Local. The Local also reports a "Contingent Liability for Paid Officers and Full Time Agents Severance" but gives no further details of how much this liability may tax the Union's treasury.

**Charles L. Rothenmeyer**  
St. Louis, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Int. Auditor	30,000	12,097	3,843	\$46,540

**Karl Rogers**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Mo-Kans Conf	S/T	6,000	160	1,781	7,941
1974	JC 56	S/T	7,800	=	=	7,800
1974	LU 541	Pres.	44,635	2,548	4,257	51,440
1974	TOTAL					\$67,181

**George F. Rohrer**  
Salt Lake City, Utah

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	14,217	5,229	\$49,446

Comments: Rohrer has been the International Trustee for Local 17 in Denver.

**Arnold Ross**  
Newark, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 97	Pres.	32,860	7,420	514	242	\$41,036

Comments: Ross took over Local 97 after its two previous top officers, Joseph G. Biancardi, the former President and E. Henry Garrod, the former Secretary-Treasurer, were convicted on May 7, 1973 of making false entries on the financial reports.

**John Rusnak**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 507	Tee	26,000	=	148	26,148
1974	LU 507					
	Welfare Fund	Adm.	24,000	=	=	24,000
1974	Bakers Local 19	Treasurer	12,750	=	1,551	14,501
1974	TOTAL					\$64,649

**John F. Ryan**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 25	S/T	18,500	=	=	18,500
1974	LU 786	Pres.	28,535	=	1,652	30,187
1974	TOTAL					\$48,687

Comments: Lawrence Ryan received over \$20,000 for serving as a trustee of Local 786 in 1974.

**Max Sanchez**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 810	VP	36,180	150	10,872	781	\$47,938

Comments: Local 810 represents nearly 10,000 workers in the New York area. It has been run by the Silvermans, first Milton until he went to jail, and then by his son Dennis. In 1974 the Local made 20 loans totaling nearly \$30,000 to various officers and employees including a \$2,000 loan to Sanchez and a seemingly illegal loan of \$2,440 to T. Auld, a "delegate". The Local supplies automobiles to its top officers and includes an estimate of the value of the private use of that automobile under the "expense" column next to that individual's name on the LM-2 form. Thus part of the \$10,872 in expenses that Sanchez received in 1974 is an estimate of what the union-provided car is worth to him personally, a sum on which he was liable to pay income tax.

In 1974 the Local made substantial payments into several pension plans for its officers and staff. It contributed \$8,680 to the International's pension fund, \$20,975 to unspecified "Welfare & Pension" plans, and \$118,631 into a staff retirement plan.

For more information on Local 810, see the sketches of Milton and Dennis Silverman below.

**David O. Sark**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 25	Sec'y	17,300	=	=	17,300
1974	LU 726	S/T	23,156	=	408	23,564
1974	TOTAL					\$40,864



Comments: David D. Sark received nearly \$22,000 for serving as a Trustee of Local 726 in 1974. Part of the younger Sark's responsibilities as a Trustee was to audit the books and accounts of the Local that had been prepared by his father, the Secretary-Treasurer of the Local.

**Donald Sawochka**  
Gary, Indiana

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1973	LU 142	S/T	32,312	2,065	2,799	362	37,538
1974	LU 142	S/T	40,578	75	1,062	362	42,077

**Stephen Schultz**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 43	R/Sec	1,500	—	—	1,500
1974	LU 283	Pres.	30,800	6,175	148	37,123
1974	TOTAL					\$38,623

**Eli Schutzer**  
Miami, Florida

Year	Division	Titles	Salary	Allowances	Expenses	Total
1970	LU 198	S/T	15,750	—	225	15,975
1971	LU 198	S/T	24,975	—	2,364	27,339
1972	LU 198	S/T	22,525	—	3,385	25,910
1973	LU 198	S/T	11,475	—	1,125	12,600
1974	LU 198	S/T	24,100	—	2,090	26,190

Comments: Schutzer was indicted on August 22, 1972 and convicted on November 10, 1972 of taking payoffs from an employer and sentenced to serve 8 months in prison and pay a \$5,000 fine. Convicted along with him were the Chairman of the Board and President of the Royal Baking Company. In spite of this gross breach of fiduciary duty no attempt has been made by Fitzsimmons to oust Schutzer from the Teamsters. In fact, since 1972 Schutzer has served as a Trustee of the Georgia-Florida Conference where he must audit the books of Donald Gillette, the Conference's Secretary-Treasurer, who has also been convicted of taking payoffs from employers.

**Frank Seban**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 744	S/T	36,488	—	94	36,582
1974	National Conf of Brewery & Soft Drink Workers	S/T	24,852	852	448	25,756
1974	TOTAL					\$62,338

Comments: Seban has worked closely with Ray Schoessling, the Union's current General Secretary-Treasurer, who headed both Local 744 and the Brewery and Soft Drink Workers trade division for many years.

**Joseph Selly**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	25,000	5,697	23	\$30,721

Comments: Selly heads the Communications Trade Division of the International.

**Harry Serio**  
Union City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 478	BA	27,820	—	127	242	\$28,190

Comments: Serio was temporarily barred from Union office in the early 1960s due to a conviction for aggravated assault. Serio's son George received almost \$30,000 for administering Local 478's Pension and Welfare funds. The Local's pension plan has come under close scrutiny lately because of reports that executives of Eastern Freightways used money they owed the fund to purchase more stock when they were making a big push to acquire Associated Transport.

**Walter Shea**  
Washington, D.C.

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Exec. Asst. to the Gen. Pres.	45,300	4,257	1,520	\$51,078

Comments: Shea drove a 1973 Cadillac for much of 1974 (operating cost—\$2,185) until he traded it in for a 1975 Lincoln which cost the Union's members \$11,928.

**John J. Sheridan**  
Burlingame, California

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	WCT	Chm'n of a Trade Division	33,635	2,400	19,690	862	\$56,587

**Dennis M. Silverman**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1971	LU 810	Pres.	33,153	3,008	—	—	36,161
1972	LU 810	Pres.	45,742	2,887	1,331	—	49,961
1973	LU 810	Pres.	43,935	1,575	6,186	—	51,096
1974	LU 810	Pres.	47,385	—	4,941	—	56,566

Comments: Dennis Silverman took over the Local in 1971 when his father, Milton Silverman went to jail for embezzlement. Currently S. Silverman is a "delegate" collecting nearly \$20,000 a year from the Local for unspecified services.

Dennis Silverman also received a \$2,000 loan from the Local in 1974 which he paid back within the year. For more information on the Local, see the profiles of Max Sanchez above and Milton Silverman below.

**Milton Silverman**  
New York, New York

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1968	LU 810	Pres.	32,400	4,730	—	—	37,130
1969	LU 810	Pres.	40,102	2,310	193	—	42,605
1970	LU 810	Pres.	43,335	2,730	1,095	—	47,160
1971	LU 810	Pres.	41,730	1,575	902	4,240	44,207

Comments: Silverman was convicted on February 14, 1969 of embezzlement and making false entries and sentenced to serve eight months in prison and pay a \$16,000 fine. Silverman continued to be listed as the Local's President until he went on a leave of absence effective April 29, 1971. Indeed, even though he only served in office four months in 1971, he still managed to collect a full year's salary of \$41,370. That year the Local also paid his successor, Dennis Silverman, a salary of \$33,153. Thus the rank and file had to pay nearly \$75,000 in salary alone to their "president(s)" in 1971. In 1972 the Local suddenly owed \$64,601 in "Severance Pay Payable" to an unnamed individual(s) which it is paying off in annual installments of roughly \$20,000. One might assume that this money is going for Milton Silverman and that in a very real way, the rank and file actually paid Silverman's fine for his betraying their trust. Section 503(b) of the Landrum-Griffin, 29 U.S.C. 503(b), however expressly prohibits a labor organization from "directly or indirectly" paying the fine of an officer convicted of a willful violation of the embezzlement provisions of the Act.

**Ken Silvers**  
Lexington, Kentucky

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	5,137	—	35,137
1974	LU 651	Pres.	— no report on file in Washington —			

Comments: Silvers was installed as an International Trustee of Local 651 when it was chartered on April 11, 1972. The first elections in the new Local were not held until December 10, 1973 and by then Silvers had solidified his position so that he was able to win the election. It is estimated that Silvers receives slightly more than \$30,000 a year for running Local 651.

**Robert Simpson**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	R/Sec	44,196	—	6,875	\$51,071

**William C. Smith**  
Jackson, Mississippi

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen. Org.	30,000	10,737	425	—	41,162
1974	SCT	Member Pol Cee	—	—	—	1,000	1,000
1974	TOTAL .....						\$42,162

Comments: Smith received a \$1,000 gift from the Southern Conference in 1971, 1972 and 1973.

**W. C. Smith, III**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Org.	16,666	12,295	2,056	\$31,468

**Jackie Spero**  
Jersey City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 641	VP	37,300	466	31	20	\$37,817

Comments: Spero received \$1,900 in Trustees' fees from the Trucking Employees of North Jersey Welfare Fund in 1973 but it could not be verified if he still held that post in 1974 and/or received any compensation for it.

**Paul Steinberg**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	CCT	Exec. Asst.	32,116	3,889	4,027	\$40,042

Comments: Steinberg came out of Local 20 in Toledo, Ohio to serve as one of two Executive Assistants to (then) Conference Director Ray Schoessling.

**Andy Suckart**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	LU 407	Org.	21,220	350	3,317	24,887
1974	LU 407	Org.	22,399	851	2,896	26,146
1974	Warehouse Local	Tee	1,889	—	—	1,889
1974	TOTAL .....					\$28,035

Comments: Warehouse Local 742 is not affiliated with the Teamsters or the AFL-CIO but appears to be competing for members with several Cleveland area Teamster Locals perhaps leaving Suckart vulnerable to dual unionism charges. See the profile of Allen Friedman above and footnote 135 in Chapter 7 for more details.

Suckart was one of the country's leading Teamster dissidents until he got in trouble with federal authorities over a shipment of stolen property. After his legal problems cleared, he went to work for William Presser, one of the chief targets of his reform activities.

**George Suttle**  
Dallas, Texas

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	SCT	Organizer	32,811	10,338	—	\$43,149

Comments: Suttle received a \$1,500 gift from the Texas Conference of Teamsters in 1969.

**August R. Szucs**  
Chicago, Illinois

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 743	VP	68,128	—	30	\$68,158



**John Tanski**  
**Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	LU 407	Pres.	27,070	2,850	2,369	32,289
1973	LU 407 Insurance Fund	Tee	—	5,416	—	5,416
1973	TOTAL .....					\$37,705
1974	LU 407	Pres.	28,727	2,679	2,967	34,373
1974	LU 407 Insurance Fund	Tee	—	11,250	—	11,250
1974	TOTAL .....					\$45,623

**Walter W. Teague**  
**Auburndale, Florida**

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen. Org.	30,000	9,297	6,634	—	45,932
1974	SCT	Pol. Cee	—	—	—	1,000	1,000
1974	Central States Pension Fund	Tee	—	— no compensation reported —			—
1974	Ga-Fla Conf.	Pres.	4,000	2,754	393	—	7,147
1974	JC 89	Pres.	—	— no compensation reported —			—
1974	LU 444	Pres.	—	— no compensation reported —			—
1974	TOTAL .....						\$54,079

Comments: Teague served as a Southern Conference Organizer for many years under Dusty Miller. In 1969 the Conference gave him a \$1,000 cash bonus and a new car worth \$7,195. Teague also served for many years on the Executive Board of the Georgia-Florida Conference. He moved up from Secretary-Treasurer to the President of that Conference when Morgan left to head the Southern Conference in 1973. Two members of the current Executive Board of the Georgia-Florida Conference, Don Gillette and Eli Schutzer, have been convicted of taking payoffs from employers.

Local 444 is one of the smallest in the International with an annual revenue of only \$50,000 or so. In June, 1975 it absorbed Local 308, another small Florida Local. Joint Council 89 is just as small compared to other Joint Councils. As of the 1971 convention, Joint Council 89 reported representing only 2,119 members, yet it still sent a single delegate with full voting powers to the Convention.

Teague was recently elevated to a spot as a trustee of the Central States Pension Fund.

A certain R.W. Teague received over \$20,000 in 1974 for serving as an organizer for Miami Local 769.

**Rudy Tham**  
**San Francisco, California**

Year	Division	Titles	Salary	Allowances	Expenses	Total	
1971	LU 856	S/T	25,650	5,600	12,005	43,255	
1972	LU 856	S/T	25,650	—	7,025	32,675	
1973	LU 856	S/T	29,700	112	18,208	48,020	
1974	IBT	Gen. Org.	25,700	5,377	—	31,127	
1974	JC 7	R/Sec	— no compensation reported —				
1974	LU 856	S/T	30,850	—	7,924	38,774	
1974	TOTAL .....					\$69,901	

Comments: Tham was indicted in 1972 along with the notorious "labor consultant" Milton Holt on charges of extortionate picketing, aiding and abetting extortion, and interstate transportation to promote bribery. After a change of venue to the San Francisco area, the indictment against Tham was dismissed in 1973.

Evelyn Tham received a salary of \$17,247 from Local 856 as "office help". No other clerical employee makes more than \$12,945.

**Vincent Trerotola**  
**New York, New York**

Year	Division	Titles	Salary	Allowances	Expenses	Total	
1974	IBT	Gen. Org.	20,000	6,297	60	26,358	
1974	ECT	AA	11,564	—	—	11,564	
1974	JC 16	Ass't. Office Mgr.	16,200	—	—	16,200	
1974	JC 16 Pens Fund	Ass't. Adm.	3,600	—	—	3,600	
1974	LU 803	S/T	— no compensation reported —				
1974	TOTAL .....					\$57,722	

Comments: Vincent Trerotola is the son of Joe Trerotola who heads Local 803, Joint Council 16, and the Eastern Conference. Vincent's father also serves as an International Vice-President and Chairman of the Board of Trustees of Joint Council 16's Pension Fund.

**Nunzio Louis "Babe" Triscaro**  
**Cleveland, Ohio**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1973	OCT	VP	—	1,640	2,882	4,522
1973	JC 41	VP	12,500	—	—	12,500
1973	LU 436	Pres.	39,324	20	3,680	43,024
1973	TOTAL .....					\$60,046
1974	OCT	VP	—	300	592	892
1974	JC 41	VP	8,000	—	—	8,000
1974	LU 436	Pres.	24,408	20	3,325	28,285
1974	TOTAL .....					\$37,177

Comments: Triscaro died in August, 1974 of a stroke. While he lived, his Local supplied him with a new Cadillac as well as an unlimited travel account that enabled him to charge all expenses of his wife and aides to the Union. Upon his death, Joint Council 41 paid his estate \$12,619 while his Local contributed over \$40,000. Triscaro financed his home in suburban Cleveland with the help of a \$20,000 loan from Joint Council 41's Business Agents' Pension Plan. (See Appendix A).

Triscaro had a long arrest record including two robbery convictions and a 1970 indictment on kickback charges involving Local 436's Welfare funds. The indictment was dismissed in February, 1972.

**Henry Trotto**  
**Pittsburgh, Pennsylvania**

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 40	VP	—	5,794	4,768	10,562
1974	LU 341	Pres.	19,080	8,360	1,847	29,287
1974	TOTAL .....					\$39,849

Comments: Local 341 is a small Local representing building material and construction drivers and helpers in the greater Pittsburgh area.

**John Trunzo**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	Bakers Local 19	BA	16,960	—	—	16,960
1974	LU 507 Pension Fund	Adm.	24,700	—	—	24,700
1974	TOTAL					\$40,660

**Charles Ullrich**  
Bronx, New York

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 16	Member Advisory Board	3,600	—	—	3,600
1974	LU 202	Pres.	33,876	1,500	—	35,376
1974	TOTAL					\$38,976

Comments: Warren Ullrich received a salary of \$19,355 in 1974 as an Organizer.

**J. P. Uzzollino**  
Union City, New Jersey

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	LU 478	Pres.	34,580	300	1,359	913	\$37,152

Comments: Uzzollino's son, J.A. Uzzollino drew a salary of \$27,820 in 1974 as an organizer for Local 478.

**George Vitale**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1972	LU 283	VP	19,600	500	552	20,652
1973	LU 283	VP	26,050	1,380	901	28,331
1974	LU 283	VP	8,500	500	155	9,155

Comments: Vitale was convicted of embezzlement on November 21, 1972 and given 2 years probation and a \$1,000 fine. A month earlier he had been convicted of taking illegal payoffs from employers and given two years probation and a \$2,000 fine. Normally an embezzlement conviction bars an individual from holding union office for five years. See 29 U.S.C. 504. Vitale, however, secured an exception from his parole board. In fact, Vitale was given a raise large enough in 1973 to pay both his fines and still put his "after-fine" earnings above his 1972 total. It is not clear whether this violates 29 U.S.C. 503(b) or not. See the profile of Milton Silverman above. Vitale was appointed director of the Central Conference's Automotive, Petroleum and Allied Trade Division in early 1975 to replace the retiring Stephen Schultz.

**G. Sam Webb**  
Birmingham, Alabama

Year	Division	Titles	Salary	Allowances	Expenses	Other	Total
1974	SCT	Member Pol Cee	—	—	—	1,000	1,000
1974	JC 87	S/T	3,859	—	—	—	3,859
1974	LU 612	Pres.	25,650	5,125	1,913	1,173	33,861
1974	TOTAL						\$34,720

**Otto Wendel, Sr.**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 299	S/T	40,585	250	—	\$40,835

**Otto Wendel, Jr.**  
Detroit, Michigan

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 43	Administrator	14,850	400	683	15,933
1974	LU 299	BA	10,855	—	—	10,885
1974	TOTAL					\$26,818

**Joseph Whiteford**  
Vancouver, British Columbia, Canada

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	IBT	Gen. Org.	30,000	14,777	2,435	\$47,213

**Albert Williamson**  
Cleveland, Ohio

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	LU 545	S/T	23,541	1,800	—	25,341
1974	LU 545 Welfare Fund	Tee	—	5,000	—	5,000
1974	TOTAL					\$30,341

Comments: The Local 545 Welfare Fund is another one of the many pension and welfare funds that Central States Trustee Bernard S. Goldfarb has some control over. Goldfarb himself received \$5,000 in fees from the fund while his corporation, Bernard S. Goldfarb, Inc., received \$30,202 for "maintenance of the funds" and his law firm received \$1,500 in legal fees.

**Charles D. Winters**  
New Orleans, Louisiana

Year	Division	Title	Salary	Allowances	Expenses	Other	Total
1974	IBT	Gen. Org.	30,000	7,497	334	—	37,831
1974	SCT	Member Pol Cee	—	—	—	1,000	1,000
1974	JC 93	S/T	—	—	no compensation reported	—	—
1974	LU 270	Pres.	31,579	5,220	728	—	37,527
1974	TOTAL						\$76,358

Comments: Winters died in October, 1975.

**Jack Yager**  
Kansas City, Missouri

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 56	Organizer	20,405	2,200	10	22,615
1974	LU 41	Organizer	15,236	—	33	15,269
1974	TOTAL					\$37,884

Comments: Yager takes his orders and gets his paychecks from Roy Williams, the President of both Local 41 and Joint Council 56.



**Thomas L. Young**  
Los Angeles, California

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	JC 42	S/T	6,660	—	1,170	7,830
1974	LU 196	S/T	42,594	—	1,235	43,829
1974	TOTAL .....					\$51,659

Comments: Young died in the middle of 1975.

**Tony Zivalich**  
Atlanta, Georgia

Year	Division	Titles	Salary	Allowances	Expenses	Total
1974	SCT	Organizer	32,811	7,498	—	\$40,309

## APPENDIX A

### LOANS FROM TEAMSTER JOINT COUNCIL, NO. 41 BUSINESS AGENTS PENSION PLAN — 1969-74

#### Part IV — Section D.

3. Loans	YEAR	FACE AMNT OF LOAN	OUTSTANDING END OF YEAR	SECURITY
—Dan Darrow, Trustee 3749 Cottage Grove Rd. Akron, Ohio — #1. .				
	1969	5,000.00	3,960.00	Home
	1970	5,000.00	2,973.00	Home
	1971	5,000.00	1,945.64	Home
	1972	5,000.00	800.00	Home
—Dan Darrow, Trustee — #2. .				
	1969	3,000.00	550.00	Home
—Dan Darrow, Trustee — #3. .				
	1973	81,000.00	80,760.50	Home
	1974	81,000.00	54,888.54	Home
—John Fait, Trustee 346 Walworth Ave., Euclid, Ohio — #1. .				
	1969	1,000.00	949.38	Home
	1970	1,000.00	872.43	Home
—John Fait, Trustee — #2. .				
	1969	5,000.00	4,448.41	Home
	1970	5,000.00	4,348.07	Home
—John J. Felice, Trustee 14300 Uhlin Dr., Middleburgh Hts., OH				
	1969	15,000.00	14,000.00	Home
	1970	15,000.00	14,000.00	Home
—Joseph Fontana, Trustee 13577 Cedar Rd., University Hts., OH #1. .				
	1969	14,000.00	9,479.74	Home
—Joseph Fontana, Trustee — #2. .				
	1970	7,000.00	6,968.78	Home
—Joint Council #41 2070 E. 22nd St., Cleveland, Ohio #1. . .				
	1969	15,000.00	14,869.14	Note
	1970	15,000.00	14,869.14	Note
—Joint Council #41 #2. . .				
	1971	54,000.00	49,127.64	Note
	1972	54,000.00	45,036.03	Note
	1973	54,000.00	41,064.61	Note
	1974	54,000.00	35,977.93	Note
—Joint Council #41, Bldg. Assoc. 2070 E. 22nd St., Cleveland, OH #1. . .				
	1969	37,000.00	36,699.54	Bldg.
	1970	37,000.00	35,746.43	Bldg.
	#2. . .			
	1971	52,000.00	49,698.93	Bldg.
	1972	52,000.00	48,233.74	Bldg.
	1973	52,000.00	46,714.29	Bldg.
	1974	52,000.00	45,049.99	Bldg.

(Con't. on following page)

Part IV — Section D

3. Loans	YEAR	FACE AMNT OF LOAN	OUTSTANDING END OF YEAR	SECURITY
—William Presser, Trustee 2525 Claver Rd., University Hts., OH	1969	30,000.00	30,000.00	Home
	1970	30,000.00	25,739.47	Home
—N. Louis Triscaro, Trustee 29299 Gates Mills Blvd. Gates Mills., OH	1969	20,000.00	7,237.32	Home
	1970	20,000.00	7,237.32	Home
	1971	20,000.00	5,602.32	Home
	1972	20,000.00	3,597.46	Home
	1973	20,000.00	2,250.39	Home
—Local Union No. 545 2070 R. 22nd St., Cleveland, OH #1. . .	1969	5,000.00	1,659.52	Note
	1970	5,000.00	763.31	Note
—Local Union No. 545 #2. . .	1970	2,000.00	1,589.71	Note
	1971	2,000.00	687.42	Note
—John Hearn	1971	17,000.00	16,753.15	Home
—Sam Busacca 6383 Longridge R. Mayfield Hts., OH	1972	25,000.00	24,742.29	Home
	1973	25,000.00	24,150.21	Home
	1974	25,000.00	23,462.90	Home

## APPENDIX B

### ALL IN THE FAMILY

This is a list of situations where various relatives appear on Teamster payrolls. Hiring an unqualified relative to fill a union post may constitute a breach of a Union officer's fiduciary duty under Section 501 of the Landrum-Griffin Act, 29 U.S.C. 501. For more information on these individuals, see Part IV.

The following abbreviations are used throughout this Appendix:

#### Divisions of the Union

IBT — the International  
ECT — Eastern Conference of Teamsters  
SCT — Southern Conference of Teamsters  
CCT — Central Conference of Teamsters  
WCT — Western Conference of Teamsters  
OCT — Ohio  
  
JC — Joint Council  
LU — Local Union  
Conf — Conference  
Pol Cee — Policy Committee

#### Offices and Positions

Pres — President  
VP — Vice-President  
R/Sec — Recording Secretary  
S/T — Secretary-Treasurer  
Tee — Trustee  
BA — Business Agent  
Org — Organizer  
Rep — Representative  
Adm — Administrator  
AA — Administrative Assistant  
Chm'n — Chairman  
Int Aud — International Auditor  
Gen Org — General Organizer

NAME	POSITIONS	DISBURSEMENTS
Adelstein, Alan	Pres. LU 813	21,311
	Tee, LU 813 Pension Fund	900
	Tee, LU 813 Insurance Fund	900
	R/Sec LU 1034	17,435
	Tee, LU 1034 Pension Fund	900
Adelstein, Bernard	S/T LU 813	47,499
	Adm, LU 813 Pension Fund	14,000
	Tee, LU 813 Pension Fund	900
	Adm, LU 813 Insurance Fund	14,000
	Tee, LU 813 Insurance Fund	900
	Pres LU 1034	47,436
	Adm, LU 1034 Pension Fund	10,100
	Tee, LU 1034 Pension Fund	900
	Tee, LU 813	19,669
Adelstein, Martin	Tee, LU 813 Pension Fund	900
	Tee, LU 813 Insurance Fund	900
	S/T LU 1034	30,476
	Tee, LU 1034 Pension Fund	900
TOTAL .....		\$230,126
Allgood, J. O.	SCT Org.	40,909
Allgood, Jos. W.	IBT Org.	33,483
TOTAL .....		\$ 74,392
Bane, Joseph Sr.	Pres. LU 641	31,507
Bane, Joseph Jr.	BA LU 641	19,175
TOTAL .....		\$ 50,682



NAME	POSITIONS	DISBURSEMENTS
Bernstein, Joseph	Org. CCT	10,417
	VP JC 25	15,500
	Pres. LU 781	107,731
Bernstein, Joseph L.	S/T LU 781	87,478
Bernstein, Robert	BA LU 781	76,743
TOTAL .....		\$297,869
Busacca, Sam	Director JC 41	1,100
	VP LU 436	34,383
Triscaro, N. Louis	VP OCT	892
	VP JC 41	8,000
	Pres. LU 436	27,403
TOTAL .....		\$ 71,778
Cimino, Anthony	Tee, LU 400	21,781
Cimino, Charles Sr.	S/T JC 41	15,500
	S/T LU 400	31,955
Cimino, Charles Jr.	Pres. LU 400	17,171
TOTAL .....		\$ 86,407
Connell, Lester	R/Sec JC 16	5,842
	S/T LU 816	54,226
Connell, Vincent	Tee LU 816	20,920
TOTAL .....		\$ 77,968
Cook, Robert C.	Pres. LU 528	50,541 (1973)
Cook, R. J.	Employee LU 528	24,647 (1973)
Cook, Carl	Employee LU 528	32,366 (1973)
TOTAL .....		\$107,554
Davidoff, Harry	S/T LU 851	33,800
	Tee LU 295 Welfare Fund	1,300
	Tee LU 295 Pension Fund	1,300
Davidoff, Mark	S/T LU 295	57,667
	Tee LU 295 Welfare Fund	1,300
	Tee LU 295 Pension Fund	1,300
TOTAL .....		\$ 97,427
DePerno, Rocco Sr.	Gen. Org. IBT	30,897
	Pres. JC 18	840
	Pres. LU 182	46,216
	Tee, Various Funds	19,792
DePerno, Rocco Jr.	Adm. LU 182	13,172
TOTAL .....		\$104,297
Felice, John Sr.	Pres. LU 73	11,415
	Pres. LU 293	40,106
	Tee LU 293 Welfare Fund	7,250
Felice, John Jr.	R/Sec JC 41	4,100
	VP LU 73	11,125
	S/T LU 293	38,020
TOTAL .....		\$119,226
Fitzsimmons, Donald	Org. LU 641	17,371
Fitzsimmons, Frank E.	Pres. IBT	133,339
Fitzsimmons, Richard	Gen. Org. IBT	35,202
	VP LU 299	31,098
TOTAL .....		\$217,010

NAME	POSITIONS	DISBURSEMENTS
Holmes, Robert Sr.	VP & Gen. Org. IBT	40,284
	Pres. JC 43	4,427
	Pres LU 337	52,150
	Tee Central States Fund	3,684
Holmes, Robert Jr.	Tee LU 337	28,950
TOTAL .....		\$129,459
Jones, C. Howard	Gen. Org. IBT	43,052
	S/T SCT Pol Cee	26,439
Miller, Murray W.	Sen S/T IBT	109,047
	SCT (retired)	45,787
TOTAL .....		\$224,325
Jorgensen, Jack J. Sr.	Gen. Org. IBT	31,217 (1973)
	S/T LU 359	31,207 (1973)
	Pres. JC 32	3,383 (1973)
Jorgensen, Jack Jr.	Org. JC 32	19,432 (1973)
TOTAL .....		\$ 85,239
Mathis, Weldon Sr.	VP & Gen. Org. IBT	58,995
	Pres. LU 728	20,894
Mathis, Weldon Jr.	Org. IBT	12,705
	Employee LU 728	19,172
Mathis, Wilbur	Employee LU 728	25,579
TOTAL .....		\$137,345
McDermott, Lawrence	Pres. LU 641	43,514
McDermott, T.	Employee LU 641	18,245
TOTAL .....		\$ 61,759
Mohn, Einar	VP & Gen. Org. IBT	54,877
	Chm'n WCT Pol Cee	17,809
Mohn, Bruce	Int. Aud. IBT	36,280
TOTAL .....		\$108,966
Pecora, Joseph	VP JC 73	5,650
	S/T LU 863	48,976
Pecora, Joseph Jr.	VP LU 863	34,533
TOTAL .....		\$ 99,159
Pisano, John	S/T LU 443	45,026
	S/T JC 64	2,921
Pisano, Vincent	BA LU 443	32,418
	R/Sec JC 64	800
TOTAL .....		\$ 81,265

NAME	POSITIONS	DISBURSEMENTS
Presser, Jackie	Gen. Org. IBT	35,815
	R/Sec OCT	800
	VP JC 41	6,270
	S/T LU 507	84,616
	Fin. Sec'y. Bakers LU 19	12,705
Friedman, Harold	Pres. LU 507	81,934
	Pres., Bakers LU 19	100,051
	Pres. Bartenders Local 10	19,675
	Gen. Org. Bartenders	16,590
Presser, William	VP & Gen. Org. IBT	37,698
	Pres. OCT	8,920
	Pres. JC 41	40,296
	Tee Central States Fund	28,934
TOTAL .....		\$485,004
Provenzano, Anthony	Retired LU 560	25,000
Provenzano, Nunzio	S/T LU 560	29,453
Provenzano, Salvatore	VP & Gen. Org. IBT	36,773
	Pres. JC 73	16,972
	Pres. LU 560	31,200
TOTAL .....		\$139,398
Sark, David O.	Sec'y. JC 25	17,300
	S/T LU 726	23,564
Sark, David D.	Tee LU 726	21,532
TOTAL .....		\$ 62,396
Schoessling, Ray	VP & Gen. Org. IBT	60,802
	Tee JC 25	28,500
	Pres. LU 744	5,000
	S/T Pol Cee CCT	25,998
	S/T Nat'l. Brewery Conf.	5,000
Schoessling, James	Tee LU 744	25,131
TOTAL .....		\$150,431
Smith, William C.	Gen. Org. IBT	41,162
Smith, W. C. III	Org. IBT	31,468
TOTAL .....		\$ 72,630
Trerotola, Joseph	VP & Gen. Org. IBT	60,137
	Chm'n Pol Cee ECT	1,268
	Pres. JC 16	25,500
Trerotola, Vincent	Gen. Org. IBT	26,358
	AA ECT	11,564
	Office Mgr. JC 16	16,200
	AA JC 16 Pension Fund	3,600
TOTAL .....		\$144,627
Ullrich, Charles	Pres. LU 202	33,584
Ullrich, Warren	Org. LU 202	17,552
TOTAL .....		\$ 51,136
Uzzolino, J. P.	Pres. LU 478	37,152
Uzzolino, J. A.	Org. LU 478	29,159
TOTAL .....		\$ 66,311
Wendel, Otto Sr.	S/T LU 299	40,835
Wendel, Otto Jr.	BA LU 299	10,885
	Adm. JC 43	15,932
TOTAL .....		\$ 67,652

## APPENDIX C

## AUTO GIVE-AWAY

Donor Organization	Year of Gift	Recipient	Model & Year of Car (if given)	Book Value (if given)	Price, if any, to beneficiary
LU 293 - Cleveland	1972	"retired officers"	1968 Pontiac 1971 Mercury	not stated	
LU 400 - Cleveland	1972	Mike Rini, ret. ofcr.	1970 Pontiac	\$2,059	\$1
LU 407 - Cleveland	1973	John Kalnicki, ret. pres.	1972 Cadillac	N/S	\$3
	1973	Rudolph Balogh, ret. v.p.	1972 Cadillac	N/S	\$3
	1973	Charles Symkowski, ret. bus. agnt.	1973 Olds	N/S	\$3
	1973	Harry Anderson, ret. b.a.	1971 Olds	N/S	\$1
	1972	Will Cassidy, ret. orgnizr.	1968 Olds	N/S	\$1
LU 680 - Newark	1974	* Anthony Iorio, ret. pres.	not stated	\$5,061	
LU 705 - Chicago	1974	unnamed retiree	N/S	\$4,197	
	1972	5 employees, retired	N/S	N/S	
	1971	2 employees, retired	N/S	N/S	
LU 743 - Chicago	1971	Stephen Javolin, ret. ofcr. Frances Carey	N/S N/S	\$2,480 \$2,480	
LU 744 - Chicago	1972	Retiring v.p.	N/S	\$6,923	
LU 964 - Cleveland	1973	Widow of Joseph Olah, Scty-Treas.	N/S	\$3,173	
LU 986 - Los Angeles	1973	L. J. Coombes, ret. employee	1971 Chev	N/S	
LU 555 - Cleveland	—	William Presser and two other officers will have the right to purchase the car assigned to them when they retire for \$1.			

\*By resolution dated 12/20/72, any full-time officer with 10 years of service, will at retirement, receive the car he was then driving.

(Con't. on following page)



# AUTO GIVE-AWAY

Donor Organization	Year of Gift	Recipient	Model & Year of Car (if given)	Book Value (if given)	Price, if any, to beneficiary
JC 13 - St. Louis	1973	*Harold Gibbons, ret. pres.	Pontiac	\$4,406	
JC 25 - Chicago	1973	*Ray Schoessling, ret. pres.	N/S	\$7,450	
JC 38 - Sacramento	1972	*George Mock	1969 Cadillac	\$2,200	
JC 41 - Cleveland	1970	Frank Rubino, ret. bus. agnt.	Olds	\$2,700	
JC 42 - Los Angeles	1972	Cletus Chapman, ret. employee	N/S	\$5,516	
Southern Conference of Teamsters	1969	C. Howard Jones	N/S	\$7,195	
	1969	W. W. Teague	N/S	\$7,195	
	1974	Norman Goldstein	N/S	\$4,915	
	1974	Jennie K. Dixon	N/S	\$4,915	

\*Member of the GEB

## APPENDIX D

### LOANS MADE BY THE INTERNATIONAL TO STAFF, OFFICERS AND MEMBERS

Source: Schedule one -- "Loans Receivable" -- of the International's LM-2

(a) Name of Officer or Employee	(b) Property of Loan, Security, if any and Arrangement for Repayment	(d) Repayments received During Period	(e) Balance at end of Period
1961			
J. M. & M. G. Casey	-R. E. Loan - Property Located in Bethesda, Md. 110.92 per month	823	16,454
T. E. & M. W. Flynn	-R. E. Loan - Property Located in Bethesda, Md.	1775	27,233
W. M. & M. A. Griffin	-R. E. Loan - Property Located in Bethesda, Md.	1178	21,753
T. L. & E. E. Hughes	-R. E. Loan - Property Located in Fairfax, Va.	1044	4,891
D. & H. H. Kaplan	-R. E. Loan - Property Located in Bethesda, Md.	1517	21,807
J. W. & M. Morgan	-R. E. Loan - Property Located in Ft. Lauderdale, Fla.	1244	24,409
W. T. & M. L. Mullenholz	-R. E. Loan - Property Located in Bethesda, Md.	1114	12,230
F. J. & M. R. Murtha	-R. E. Loan - Property Located in Skokie, Ill.	1132	39,484
F. A. & H. E. Tobin	-R. E. Loan - Property Located in Bethesda, Md.	1434	22,382
1971			
J. M. & M. G. Casey	same as above	1111	6,702
W. M. & M. A. Griffin	same as above	1593	7,676
F. J. Murtha	same as above	1672	9,892
	same as above	3351	15,401
1974			
J. M. & M. G. Casey	same as above	1216	3,160
W. M. & M. A. Griffin	same as above	1743	2,597
F. J. & M. R. Murtha	same as above	2584	8,868